The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

The Problem of Revising China's Foreign Policy---After Sian

ARTICLES IN THIS ISSUE

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(*By the Review's Hankow Correspondent*)

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How Armed Resistance Will Bring Powerful Friends to China's Side . . . . . By Gen. Li Tsung-jen

SATURDAY, JANUARY 30, 1937 VOLUME 79, NUMBER 9

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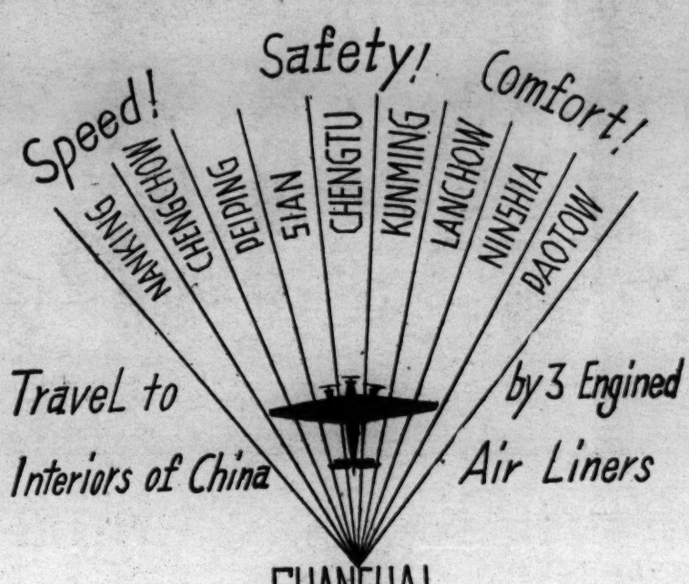

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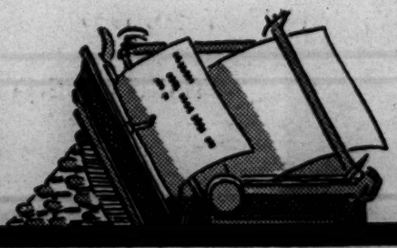

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The China Weekly REVIEW

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中華郵政特准掛號立券之報紙

Registered at the Chinese Post Office as a Newspaper for transmission with special marks privileges in China.

Volume 79 | Shanghai, China, Saturday, January, 30, 1937 | Number 9

THE CHINA WEEKLY REVIEW

Formerly Millard's Review

Cable Address "REVIEWING SHANGHAI"

PUBLISHED AT NO. 160 AVENUE EDWARD VII, SHANGHAI, CHINA, BY MILLARD PUBLISHING COMPANY, INCORPORATED BY THE LAWS OF THE STATE OF DELAWARE, UNITED STATES OF AMERICA.

J. B. POWELL, Editor and Publisher; GEO. W. MISSEMER Asst. Editor; TRYPHON V. KU, Advertising Dept.; F. K. CHAO, Business Dept.

YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE, POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U.S. CURRENCY. REMITTANCES FROM OTHER COUNTRIES THAN CHINA AND THE U.S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

Contents

Editorial Paragraphs

"Unscrupulous Machinations of Britain, U.S. and Soviets" 287
Japanese Businessmen, Public, Also Suspicious of Alliance With German Nazis 289
The Problem of a Strong Foreign Policy—After Settling the Sian Episode 292

Special Articles

How Armed Resistance Will Bring Powerful Friends to China's Side...By Gen. Li Tsung-jen 294
Hope for Settlement of Shensi Situation Brightens; Wang May Again Head Executive Yuan..... 297
Japanese Diet Dissolved; Hirota Cabinet Resigns; Army Opposes New Appointee..... 301
Chinese Leaders on the National Revival.....
.....By C. Y. W. Meng 304
Should Teachers Have an Additional Profession?
.....By Fabian K. W. Lew 306
Hupeh's New Government Gets Under Way..... 313
Who's Who in China 317
Men and Events 318
New Books of Interest in the Far East..... 320

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTISING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

"UNSCRUPULOUS MACHINATIONS OF BRITAIN, U. S. AND SOVIETS"

THE Tokyo War Office distributed on Jan. 26, some 100,000 copies of a pamphlet wherein the "unscrupulous machinations" of the foreign powers, chiefly Great Britain, United States and the Soviet Union were assailed on the score of their activities in China.

According to the *Domei* message the War Office charged that Great Britain was straining every effort to extend its influence in China and in doing so is interfering with Japan's continental policy. . . . Britain is exhibiting a tendency to impair the establishment of peace in East Asia and the realization of Sino-Japanese rapprochement.

The United States, according to the War Office, "harbors in its heart a desire to control the Pacific and to advance in the China market. . . . America is hurriedly strengthening her navy and fortifying her possession in the Pacific."

The Soviet Russians, stated the pamphlet, are continuing the old Czarist policy of seeking an eastern outlet to the Pacific and have adopted an undisguisedly challenging and provocative attitude toward Japan and Manchukuo by conducting propaganda and concentrating troops along the Manchurian border. The Russian army, according to the writer of the booklet, now has 90 infantry divisions, 25 cavalry divisions, 5,000 tanks and 5,000 airplanes. The numerical strength of the army is 1,600,000 officers and men, which force constitutes a serious and constant menace to the safety of Japan.

These "unscrupulous" nations are taking advantage of Chinese opposition to Japan and unsettled political conditions in China "to threaten the peace of East Asia which Japan is duty-bound to maintain."

Following this introduction, we come to the gist of the argument:

1—For the sake of peace in the Far East, Japan must be adequately prepared.

2—Japan's guiding principles are three-fold: (a) Advance the fortunes of the Imperial House; (b) spread the

ideals upon which the nation was founded; (c) promote the welfare and happiness of the world.

3—Since ideas will play an important role—as important as guns—in the next war, it is necessary for Japan to rehabilitate the petty trades and industries, farms and fisheries, in order to achieve national unity in "mind and matter" in the forthcoming conflict.

4—In addition to the "ideological" preparations Japan must have a powerful air force, civil and military, and must have "perfection of plans" for the instant and comprehensive mobilization of manpower, industry and finance. Also there must be a strong army because Japan's possessions on the mainland are exposed and in addition Japan must protect the borders of Manchukuo.

5—*The most important*— Realizing the necessity of strengthening the military establishment in Manchukuo, the Army requested Yen 234,000,000 in the current budget. In addition plans were announced for spending an additional Yen 350,000,000 for expanding the air-force over a period of five years and a further Yen 120,000,000 for the general improvement of defenses. According to the plan—six year plan—the Army intends to spend Yen 900,000,000 for the "replenishment of effectives."

The foregoing attack on the activities of Occidental nations which are exercising a restraining effect on Japan's expansionist program on the continent was revealing in many ways. As the War Office pamphlet was intended for home consumption there was nothing strange in the expose of the "unscrupulous machinations" of the Powers as an argument for passage of the large military appropriations in the Diet. This method of arousing enthusiasm for military appropriations involving heavy increases in taxation is as old as mankind.

But there was a further element in the Japanese accusation directed at Britain, United States and Soviet Union which was more significant. In explaining what we have mind we will refer to a recent article by Dr. Hu Shih, the well-known Chinese philosopher, which appeared in the January number of *Foreign Affairs* (New York). Writing on the subject, "Changing Balance of Forces in the Pacific," Dr. Hu Shih stated that the Washington Conference in 1921-22 left Japan in a dominant position as the strongest power in Asia, a position which was confirmed in the various treaties adopted at the Conference. Dr. Hu Shih even went further back and asserted that Japan had become the dominant power in Asia following her defeat of the Germans at Tsingtao in 1914.

But Japan lost her position of dominance when she tore up the Washington treaties and seized China's northeastern provinces By her acts of aggression, Japan threw into the discard the whole postwar machinery of peace—that semblance of international order which had legalized and tacitly protected Japan's supremacy. What are the results? In the first place Russia has returned to the Pacific area as a fully armed Power. She returns, too, possessed of new and vast industrial resources. Japan must now reckon with Russia more than ever as a factor in the Pacific scene.

The second factor is the rapid re-armament of all the non-Asiatic nations bordering the Pacific or having possessions there . . . A continuous ring extends from the Aleutian Islands extending westward from the American-Alaskan coast to Singapore and the Dutch East Indies. This, according to Dr. Hu Shih, this ring of nations newly armed or rearmed must be considered the new factor produced since 1931 by Japan's actions.

Last, but not least, there has been the rapid rise of the national state of China and its unification under the National Government at Nanking—a definite outcome of Japan's aggression. This factor, sensed originally by the late John Hay, Secretary of State, that an independent and strong China is necessary for the peace and stability of the Far East, is now coming into effect.

The circular issued by the Tokyo War Office constituted a recognition on the part of Japan's military clique that the Imperial Empire had lost its position of dominance—hence it must have renewed sinews of war to regain its position. This is the real explanation of the present crisis in Japan, because the businessmen and more serious-minded elements in the population are hesitating to take the next step which may mean war and the almost inevitable destruction of the Empire.

Americans and Japanese Reach Accord on Textile Exports

Japanese cotton interests at 1 a.m. Jan. 22 agreed to sign a provisional accord with American industrialists limiting their textile exports to the United States to 255,000,000 sq. yards during the next two years. Total shipments to North America during 1937 shall not exceed 180,000,000, under the terms of the accord. This was the outcome of a 13-hour discussion of the problem between Japanese textile manufacturers and the American Cotton Mission at the New Osaka Hotel. Negotiations to this end had been going on since Jan. 14. The accord was greeted with satisfaction by Japanese industrialists, who pointed out that Japanese textile exports to the United States in 1936 had only amounted to 73,512,000 yards.

U.S.-Japan Textile Accord Expanded

Domei stated that the American Mission agreed to combat any attempts on the part of the Washington administration to restrict the imports of Nippon-made piece goods. The mission's action in this respect, it was stated, formed one of the items in a supplementary agreement with Osaka textile manufacturers. The members of the mission further agreed to seek the conclusion of a new trade treaty between the two nations, with a view to reducing the present tariffs on Japanese cotton textiles. The visitors also agreed to consider a modification of the Japanese quota (previously agreed upon) after 1939, with the increase in the American demand for cotton fabrics.

The Japanese producers and exporters, on the other hand, consented to consider the mission's desires in the readjustment of exports of cotton goods, save cotton fabrics, to the United States.

Under the terms of the accord reached the Japanese cotton interests agreed to limit their textile exports to the United States to 255,000,000 sq. yards during 1937 and 1938.

At a session of the America-Japan Cotton Conference held Jan. 16, Mr. Nagano stated that the America-Japan cotton industry issue should be re-examined in view of the recent prosperity, and pointed out the fact that the Japanese cotton industry has contributed to the United States increase of raw cotton exports.

Mr. Berry, replying thereto, said that Japan would do well by extending its market for cotton cloth exports the world over instead of putting emphasis on the United States market alone.

Japanese Businessmen, Public, Also Suspicious of Alliance With German Nazis

THE Japanese-German Alliance has also created serious complications in Tokyo. While numerous elements were involved in the downfall of the Hirota Cabinet, the recently concluded secret military alliance with the German Nazis contributed considerably toward the suspicion and lack of confidence which caused the resignation of Japan's military "puppet" government.

It was, therefore, of considerable significance that Major General Hiroshi Oshima, Japanese Military Attache in Berlin, was hurriedly summoned home to explain the pact. General Oshima has been credited from the beginning with having inspired the agreement. He passed through Shanghai on January 14 on the German liner, "Potsdam", which also carried two other distinguished passengers to this port—Wang Ching-wei, Chairman of the Central Political Committee; and Otto Wolff, one of Germany's leading steel industrialists, who made a hurried trip back to China allegedly in order to save his contract for railway material from being cancelled by Chinese Government officials, who were exasperated at German duplicity in signing the military alliance with Japan. Herr Wolff had previously been awarded the contract for construction of the Hunan-Kweichow Railway, which involved extensive purchase of German railway equipment.

That the German-Japanese Alliance aroused serious misgivings in Tokyo was apparent from guarded comment which appeared in the Japanese press directed primarily at Foreign Minister Hachiro Arita, who was openly charged with practicing dual diplomacy. Reports in the *Asahi Shimbun* (Tokyo) charged that the Hirota Cabinet had disclosed diplomatic matters of great moment to British, American and Russian ambassadores, but had kept the facts secret from the people in Japan. The extent of the press-ban on articles and editorial discussions pertaining to the Japanese-Nazi alliance was indicated in the action of the police censors in holding up one issue of the *Okuyama Service* because it included among its translations from the Japanese press a report referring to the pact. The *Okuyama Service*, edited by Seichi Okuyama, is regarded as the best translation from the Japanese newspapers. The original report of the alliance had to be smuggled out of Japan and cabled to American and European newspapers from Shanghai due to suppression of the reports in Japan.

The primary issue involved in the Cabinet's downfall had to do with finances, the Hirota Cabinet's demand for appropriations in excess of 3,000,000,000 yen, of which 1,400,000,000 yen or nearly 50 percent was for military purposes. As this necessitated heavy increases in taxation, it had the effect of arousing apprehension and indignation among businessmen throughout the country. This in turn had the effect of directing the attention of the leaders of the country toward the fundamentals of Japan's Far Eastern policy, including the recently concluded pact with the German Nazis.

Lieut. General Yoshitsugu Tatekawa, retired, was quoted in the *Asahi* as declaring that Sino-Japanese relations had reached such a critical state that the deadlock could only be broken by a "big sacrifice" on one side or the other. Either Japan must quit Manchuria and go home or China must declare, "We make you a present of Manchuria and you may also help yourself to North China too."

The Chicago Tribune

With reference to Japan's relations with Russia, various leaders who participated in a round table conference conducted by the *Asahi's* editorial department expressed their views on the drift of Japan toward war with the U. S. S. R. Attention was called to the fact that up to the time of the Mukden Incident in the fall of 1931, the Soviet Government only had between 30,000 and 40,000 troops in the whole Siberian Far East; but since that time the number of Russian soldiers had increased to 250,000 or 300,000 stationed near the border, while strong fortifications had been constructed everywhere, including Vladivostok, which not only has been re-fortified, but is also serving as base for a large fleet of submarines.

"It this state of affairs is left to take its course, there is nothing but an explosion in store in the Far East," declared Takao Saito, a member of the Minseito Party. "There can only be one fundamental national policy for Japan, and that is to make readjustment in its Far Eastern policy. The budget and other questions are really all rooted in the problem of the Far East. In the forthcoming Diet session, it will not only be necessary to discuss the budget tax increases, electric power control and other matters, but also to discuss what the Government is going to do about Far Eastern policy. The Diet must ascertain what really is going to be done. Unless this is settled Japan cannot conduct its domestic affairs with an assured mind. If things are left to take their course expansion in armament will only continue, and the war expenses will continue to swell. . . . I am convinced that both the upper and lower houses should devote their energies to the question of diplomacy, in order to bring about a renovated foreign policy. If the present Cabinet has prospects of executing a new diplomatic policy, all well and good. If it hasn't, then it should be smashed and a new regime brought into being."

The conference at which these prophetic statements were made was held only a few days prior to the opening of the Diet. The sensational developments which followed the opening of the national legisature are covered elsewhere in this week's issue of the *Review*. But while the press ban prevented discussion in the newspapers there was no concealing the fact, that the Japanese-German alliance had contributed greatly toward the rapidly mounting suspicion regarding the actual objective of Japanese policy as formulated by the Hirota administration.

As General Oshima, who inspired the German Alliance was in Shanghai enroute to Tokyo, he informed Japanese newspaper correspondents that he only planned to remain in Japan for about three weeks, following which he was hurrying back to Berlin. He referred favorably to recent developments in Germany, claiming that the government was much stronger and that the Hitler regime enjoyed greater prestige. Referring to the pact, he said, "Though some say I was chiefly instrumental in concluding the Japan-German Pact with Joachim von Ribbentrop, now German ambassador in London, the chief task was undertaken by Foreign Office officials whom I merely aided. I cannot generalize on the pact or the reactions of various European powers, as it is a delicate question. The pact was very favorably received by Germany and Italy. Pro-Japanese sentiment is growing in Germany and Italy, due to the pact."

Referring to conditions in Europe, General Oshima expressed the belief that European powers have not yet acquired sufficient strength to engage in war. Present diplomatic strife, however, will continue, leading in the direction of war. The present conflict between the so-called Popular Front of Russia and France and the Fascist Front of Italy and Germany is not yet so keen as was the strife between the old Triple Entente and the Allies, which precipitated the outbreak of the World War." In concluding his interview, General Oshima expressed doubt whether peace in Europe would he maintained until the next Olympic meet scheduled to be held in Tokyo in 1940.

In addition to the comment in Japanese commercial circles regarding the alliance with Germany, much appeared in the papers regarding Italy's participation in the combination. The *Nichi Nichi* published a report in its issue of January 16, stating that Mussolini's action in appointing Count Luigi Cortage as Italian Consul-General at Mukden was of the greatest significance, because until recently he had been Chief of the Bureau of Personnel of the Foreign Office, and is a relative of Premier Mussolini and Count Ciano and thus enjoys the confidence of these two important personages.

While the Italian authorities made several conflicting statements at Nanking regarding their intention with respect to the recognition of Manchukuo, Mussolini's action in appointing Count Cortage as Consul General at Mukden indicated that the deal had been concluded. Japan was anxious to obtain Italy's recognition of Japan's commercial interests in Abyssinia in exchange for this Japan agreed to reduce her late Legation in Abyssinia to a Consulate. The fact that Italy is now opening its Consulate-General in Mukden and has appointed a relative of Mussolini to the post constitutes evidence of Italian recognition of the puppet state.

Of further interest in connection with the German-Japanese Alliance were statements of Yosuke Matsuoka, President of the South Manchurian Railway at a recent conference in Dairen. Mr. Matsuoka, who recently angered the Russians by stating that Japan would shortly plant her flag on the Ural Mountains, declared that the German-Japanese Alliance was not only the greatest contribution that had been made in recent years to world peace, but also the greatest contribution of Japanese diplomacy.

"Japan in the East and Germany in the West have jointly taken the initiative in a crusade against communism. It is no exaggeration to say that only the Yamato race and the Teuton race have the real courage to fight this international menace." Matsuoka declared further, that after observing the "steady intrusion of communism into the territory of Japan's neighbor, China, it was time to issue a warning that should China be

sovietized Japan also would inevitably go Red. Therefore, communism is the common enemy of humanity and of human welfare and happiness. Why is it that the League of Nations, which was born for world peace, should now watch the world being steadily sovietized without doing anything to arrest the spread of communism? Because of the international nature of the Comintern's activities the opposition of a single power against this menace would be of no avail. Therefore, a group of nations must join forces in this fight for human welfare. The abolition of the old Anglo-Japanese Alliance meant that the ship of Japan lost its rudder with which it had navigated through the rough seas of international politics. It was no wonder that this ship, which was helplessly adrift, should have struck a reef after the Manchurian incident broke out. The vessel of Japan has now secured a new rudder in the form of the present agreement with Germany, hence this agreement must be made the very basis of the Empire's future diplomacy."

That the Japanese Empire had acted with characteristic single-minded and straight-forward attitude was Matsuoka's belief. "In Japan some men and women who love one another even commit double suicide. In this manner the Japanese race by nature is faithful to its friends, whose friendship they maintain even at the risk of their lives. I, therefore, firmly believe that Japan will be equally faithful to Germany now that the two nations have been knit together by the present agreement. Japan has made a new start in international politics by joining hands with Germany."

General Kenkichi Ueda, who occupies the dual post of Japanese ambassador to Manchukuo and Commander-in-Chief of the Kwantung Army, which controls the puppet state of Manchukuo, also voiced approval of the German-Japanese Alliance. He declared, "In the Far East the sovietization activities of the Comintern have continued unabated. Already Outer-Mongolia and Chinese Turkistan (Sinkiang) have fallen within the Soviet sphere of influence. Thus China proper, Manchukuo and Japan are confronted with a greater Red menace than ever before. The Nanking Government and its leaders, however, are still unable to determine the real causes of the calamitous events that have befallen their country. All Nanking officialdom has been able to do is to blame China's neighboring state whose innocence is not doubted by anybody. More recently the Chinese have adopted a reckless program tending toward cooperation with the Communists at the risk of the existence of all races inhabiting the Far East and in complete misunderstanding of what Japan and Manchukuo are seriously doing for the stabilization of the region. The Nanking regime and its leaders are thus acting to the detriment of Far Eastern traquility. Although Japan is acting solely for the realization of mutual existence and prosperity, the Chinese masses led astray by the deceptive propaganda of the Nanking Government are continuing the folly of agitating against the Japanese and are thus facing the danger of self-destruction."

As the policies of the War Office, operating through the puppet Hirota Cabinet, were openly preparing the nation for war with the Soviet Union or China, the downfall of the Cabinet in the face of attacks by the representatives of parliamentary groups does not mean the abandonment of the Army's program. It merely means that the issue has been brought to a head. The Army's refusal to participate in any future Cabinet except one that is amenable to the military program indicates the seriousness of the crisis facing the country—and the Far East. If the Army wins, as now seems almost inevitable, the result may be the introduction of German-Italian fascism into Japan and war on the continent. But while there is always the likelihood that the Japanese military clique may precipitate war in order to maintain its own dominant position in the government of Japan there is always the possibility of compromise at the last minute. The selection of the more liberal General Kazushige Ugaki, former War Minister and until recently Governor-General of Korea, indicated a serious attempt at compromise because Gen. Ugaki was supposed to favor parliamentary government and in the past had favored reduction of the military forces. The refusal of the military authorities to cooperate with Gen. Ugaki by permitting any high officer to accept the post of War Minister in his Cabinet made it appear that Ugaki's efforts to form a new government would be unsuccessful.

The fundamental element in the situation—obviously realized by the war office group—is that Japan's military program which the army set out to put into effect by force of arms in 1931 has failed. Instead of securing the "peace of Asia," oft-used phrase of the War Office group, the Japanese military caste has made the situation infinitely worse and—barring the recently concluded alliance with the German Nazis—has accomplished Japan's complete isolation in world affairs. What the final outcome will be cannot be forecasted, but Japan today finds herself in the midst of nations which are arming as rapidly as possible because of their suspicions of Japan's military expansionist policies. True, Japan holds China's northeastern provinces and dominates the northern Chinese provinces but her position is insecure because of the hostility of the millions of Chinese who reside in the areas under Japanese domination and the even greater hostility of the many more millions of Chinese who reside in the rest of China and who are preparing as rapidly as their resources will permit for the recovery of their "lost territories."

The Problem of a Strong Foreign Policy—After Settling the Sian Episode

(*Contributed*)

A NATION without a foreign policy may be likened to a ship on the high seas without a chart. The dangers arising out of such a situation are great. The clouds on the international horizon are already ominous. The storm may break at any moment. The Powers of the world on the pretext of self-defence and paradoxically, of preserving the peace are bringing their armaments to the highest pitch. The political alignments as on the eve of 1914 are all set. Those bent on disturbing the peace are only marking the time as to when it would be most advantageous for them to strike. The situation in which China finds herself is more precarious in view of the fact that in point of geography she has a near neighbour who even in times of peace has chosen to practise a policy of territorial aggression against China's sovereign domain and will rest content only with a complete hegemony over the nation. Should war break out in Europe or elsewhere it would provide a god-sent opportunity for Japan to realize her long cherished designs. The second "21 Demands" will no doubt out-do its predecessor beyond all recognition. It is high time, therefore, that the Chinese Government should make up its mind what to do instead of leaving fate to take care of its destiny.

In all respects the greatest problem that confronts China today is the Japanese question, over which the nation according to some observers, seems to be divided into two camps, "pro-Japanese" and "anti-Japanese". In fairness, it must be said that, with the exception of a few traitors who are seemingly willing to sell their country's rights for the proverbial mess of pottage, both sides are sincere in their conviction that the policy they advocate is in the best interests of the nation. They merely present different lines of approach to the same problem. The "pro-Japanese" consider that inasmuch as China is not militarily prepared it is disastrous to incur the enmity of a powerful neighbour. An open conflict must be avoided at all costs. Not until China is driven to the end of her tether, it is a lesser evil to follow the path of least resistance in complying with the wishes of the Japanese, however unreasonable they may be. The danger of such a policy is that China is simply whetting the Japanese appetite for more morsels of her territory and soon she will find herself bereft of all attributes of an independent existence.

The "anti-Japanese" group consider it a shame to go on "kowtowing" to Japanese forever. In desperation they clamor for war against Japan They believe that China may suffer set-backs at the initial stages of the conflict,but in the end she will win. Let the Japanese take all the coastal ports and big cities. China will move her Capital to the interior and from thence continue guerrilla warfare until the Japanese are worn out in a long drawn-out conflict. At the same time, high hopes are placed on the intervention of the Powers, who, it is argued, will not sit idle and watch nonchalantly the disappearance of their vast interests into thin air.

Academically, the position taken by the "anti-Japanese" is quite tenable. But one must be realistic as well. It may be true that in a war with the Japanese China will come out victorious in the end, but the initial reverses will have so exhausted the vitality of her nationhood that it would require perhaps half a ctntury to recover. The question is whether the price is not too high for an adventure, the dire consequences of which are too well foreseen. Further, the assistance expected of the great Powers is at best hypothetical. The Manchurian embroglio and the Abyssinian debacle are recent memories. Under these circumstances China cannot but pause to ponder. War should only be the last resort. Of humiliations China has had aplenty at the hand of the Japanese. It seems, however, that the time has not yet come for a showdown.

China's foreign policy at the present moment, therefore, should not be "pro-Japanese" in the sense that she gives in to the Japanese in every demand that may be presented to her. Nor should it be "anti-Japanese" in the sense that she should go to immediate war with Japan. She should instead through internal reconstruction develop her defence forces to a degree capable of warding off the danger that now overhangs her destiny. In the second place, she should, through cooperation with the friendly Powers seek to neutralize the Japanese poison that at present permeates throughout her national life.

A weak country has no foreign policy. The truism of this dictum cannot better be exemplified than in the case of China. There is no denying the fact that her weak foreign policy is caused by the lack of a united front against the encroachments of the foreign Powers. Recent events have shown that when China should be directing her entire army against the enemy at the front, she has been compelled to divert a considerable part of her national forces to protecting the rear from attack by her own people who happen to hold a different political view. Happily, a new political consciousness has of late come into being not only among the leaders of the country

but also among the great masses of the people, and the country is more united today than it has ever been heretofore. The Sian *coup d'état* has shown that in time of crisis the nation will rise as one man and rally to the support of the Central Government.

Be that as it may, the Government still has the communist problem to tackle. As long as this problem exists the Government is handicapped in its dealings with the foreign Powers. The Sian affair and its aftermath have so aggravated the situation that an immediate solution is called for. The Government is confronted with the dilemma of either cooperating with the communists, which will incur the anger of the Japanese leading to a sure war with Japan, or continuing its punitive expeditions against the communists, which in view of the communist tendencies and inclinations of the Northeastern troops in Shensi and Kansu will result in a civil war on a large scale. In the case of the former the consequences attendant thereupon have been noted above. In the case of the latter, China will be wasting her national sinews and vitality on fratricide, when she should be conserving every ounce of her energy for the day of reckoning with Japan. This is the delicate situation in which China finds herself today.

It is wondered, however, if China has to "seize the bull by the horns" in any solution of the problem, or if there is no other way out. The communists in spite of their differences of policy with the Government are professedly at one with it on the question of resisting Japanese aggression. While their avowed-sincerity remains to be proved, they must however be given the benefit of the doubt. It is suggested, therefore, that some kind of a tacit understanding be reached with them on the following lines: (a) the communist army shall be disbanded or incorporated into the National Army; (b) the communists shall be given a certain territory in which they shall be suffered to put into practice their policies; (c) the communists shall not engage in any propaganda outside the territory assigned to them. The communists will constitute, therefore, a sort of autonomous entity within the territorial domain of China, which is not incompatible with the attributes of a sovereign state. It does not come under the category of an *imperium in imperio*, in that their autonomous powers are delegated to them by the Central Government, and that their army if incorporated into the National Army shall take orders from the Central Authorities.

The settling of the communist problem would automatically solve the Sian crisis which now threatens to plunge the country once more into a disastrous civil war. Thus relieved, the Government would be free to concentrate its whole energy on internal reconstruction and self-defence. In the hour of need, the communists will be more than welcome to take part in the life and death struggle against the Japanese.

To avoid arousing the ire of the Japanese in adopting the course indicated above, no official cognizance should be given to the fact and the whole arrangement should be handled by the military in customary manner with the Government troops remaining in their positions to keep a watch over the communists for any violation of the tacit understandings.

Concurrently with internal reconstruction and the preparation for war against Japan, China should embark upon a positive foreign policy of international cooperation with all friendly States in order to neutralize the present Japanese menace to the largest extent possible. She should take the initiative in exploring all the possibilities for convening a second Conference on Pacific Affairs in which could participate all the interested States, namely, the United States of America, Belgium, the United Kingdom of Great Britain and Ireland, China, France, Italy Japan, the Netherlands, Portugal, Siam, and the Union of Soviet Socialist Republics. The agenda of the Conference should include, *inter alia*, the following items: the conclusion of a Pacific regional pact, the conclusion of an international economic agreement, the restoration to China of her lost territories and sovereign rights, the revision of unequal treaties, etc.

With the impotence of the League of Nations becoming more and more apparent day by day, the system of regional pacts as a supplement to the League structure has found favour both in Europe and America. It is not only desirable but imperative, therefore, that this system of regional collective security should be extended to this part of the world, so that there will be a network of regional pacts covering the whole globe, which no doubt would be an important factor in the maintenance of world peace. The signatories to the pact should if possible include all the Pacific Powers; however a membership of the principal Pacific States might serve the same purpose. The nature of the pact, like its European and American counterparts, should be non-aggression and mutual assistance. In the preparation of the text care should be taken that the wording is such as to imply no recognition of the fruits of past aggression by one contracting party against another.

The idea of concluding an economic agreement by which the contracting parties agreed to assist China in her economic rehabilitation, thus making accessible her immense but undeveloped natural resources and materials to nations that are less favoured by nature in these respects, would undoubtedly appeal to all interested. The agreement might, therefore, commend itself to Japan whose past exploits in China were to a considerable extent

dictated by the necessity for raw materials for her industries and markets for her surplus goods. It might also commend itself to the other Powers which would find in China a profitable outlet for their vast "frozen" assets as well as a market for their industrial products. China will welcome such an agreement because her treasure house needs the touch of the golden wand before it can be made available to the use of mankind. In addition, an international agreement of this kind would forestall the demand on the part of one particular country for a monopoly of financing China's industrial and other enterprises to the exclusion of other parties. In short, China could accept any fair proposal, with the condition, of course, that the terms of the agreement did not carry with them any pegging of her sovereign rights as a *quid pro quo* for assistance financial or otherwise that might be rendered.

Last but not least important is the question of restoring to China her lost territories and some of her sovereign rights. The Manchurian problem is a complicated one. For the present China's policy should be directed to the upholding of the doctrine of non-recognition. In no circumstances should China's legal position be made untenable through any injudicious act on our own part. The rendition of the settlements, the abolition of extraterritoriality, the revision of the unequal treaties, etc., with the ground already prepared in the past, should offer no great difficulties if we approach them in the right way.

The calling of an international conference is always a cumbersome affair and the actual holding of such a conference always presents special difficulties. Failing to get the conference envisaged into being, or failing to achieve the results desired at the conference, China could nevertheless conduct bilateral or multilateral talks with the interested Powers with the same ends in view. Any pact or agreement prejudicial to the provisions of the Nine-Power Washington Treaty should be avoided. At the same time China should, through diplomatic means, frustrate any attempt on the part of Pacific States to conclude among themselves any pact or agreement concerning and relating to China, the terms of which pact or agreement are incompatible with the Nine-Power Treaty.

To recapitulate, it is evident that as a pre-requisite and a corollary to a successful foreign policy China must have unity and political stability. The greatest obstacle to the real unification of the country today is the communist menace. In any solution of the problem China must take into consideration, however, the minimum expenditure of her national energy and the maximum conservation of all forces for the eventual combat which is to come. Meanwhile, she should, through international cooperation, seek on the one hand to frustrate the evil designs of her island neighbour, and on the other to bring forth stability and prosperity to the country. A strong and prosperous China is the surest way to stem the tide of foreign aggression, and offers at the same time a key to world economic recovery and the maintenance of peace.—W

How Armed Resistance Will Bring Powerful Friends to China's Side

BY GENERAL LI TSUNG-JEN
Pacification Commissioner of Kwangsi

(*Translated from Eastern Miscellany, Shanghai*)

It seems to me the most acute problem confronting the country is its salvation from the hands of Japanese militarists, and we have no time for such things as national revivals, much less for five or ten-year economic reconstruction plans. Since the Mukden incident five and a half years ago, we have learned to realize more and more the lesson brought home to us through non-resistance—through which we have lost control of one-third of our territory and one-fifth of our population, not to mention the loss we suffer morally and in prestige. We depended too much on the sanctity of such international agreements as the Washington Treaties and the Kellogg Pact; we took Japan too lightly, thinking that it unimaginable that such a small country could swallow a great country like China, and that she would be satisfied with what she could get on the border. We were not confident of ourselves in being able to resist, and so took the line of least resistance, expecting to make preparations during a lull; we took our own internal problems, such as national unity and the suppression of Communists, so seriously that we never took the question of resisting outside aggression seriously; and we counted too much on a world conflict in view of the somewhat strained relations between Japan and Russia, Japan and the U. S., and Japan and Great Britain, hoping to have a chance to strike at the right moment.

What is the outcome of this policy of non-resistance? We see the Japanese coming steadily on over the Great Wall into Hopei, then Chahar, and then Suiyuan; Whenever we made a move, they made a counter-move. It is true we want to get ready for the conflict, but we must remember that our enemies are also making preparations and with the equipment and facilities at their command they can make better and quicker preparations. As to disunity, it may be pointed out that ever since the Mukden incident of 1931 the country has been united, and it required only a call to a united front against our enemies to bring it into reality. Communism cannot be suppressed so long as we are coerced by our enemies, thus making our economic life unbearable, as Communism in China is the direct result of economic uneasiness and uncertainty. England, America and Russia do not have any intention of engaging Japan in war because all of them are busy with their own problems at home, while Japan has no mind to offend these Powers to such an extent as to rouse them to fight. In these circumstances, if we just sit down to await an opportunity through international conflict, we may awake one day to find that we are already in a dry pool!

Non-resistance gave the Japanese militarists encouragement to pursue a policy of winning without fighting. The mili-

CHINA'S DEFENDERS AS DEPICTED BY ARTIST JACK CHEN

Aviator

Soldier

Suiyuan Front

"United Front"

tarists were opportunists and were never prepared, nor did they intend to engage China in big-scale warfare, as can be seen from the various occasions when they shrank in face of opposition. The hostilities in Shanghai, Jehol, and along the Great Wall were only local wars, without the support of the whole nation, and through these they found we were not determined to resist; they therefore changed their tactics and secured what they were after without fighting at all. A minor army officer or even a ronin can coerce us into submission; for instance, the loss of the twenty-odd hsien in Eastern Hopei, of the six hsien in Chahar, and of economic control in North China was all brought about without firing a single shot. As Doihara boasted, "Without the loss of a single soldier or the cost of a single cartridge, a few million square li of land is added to the Empire." Their unexpected success in China saved the day for the Japanese

militarists in their homeland, as the people were beginning to express dissatisfaction at their unscrupulous and rash policy, but as the military found success in China an effective means of patching up matters at home, they continued to encroach upon China.

As another result of non-resistance, we find dissension among ourselves, enabling more traitors to find room for their operations. In all the long history of China there was never a period in which there were so many traitors as we find today, simply because the situation created by non-resistance provided fertile soil for them to cultivate, and the anti-Japanese element of society finds it hard to stand firm while the pro-Japanese elements get power and money. If this state of affairs continue, we may find the anti-Japanese element turning pro-Japanese; but on the other hand, if we resist Japanese aggressions now, we may find the pro-Japanese element today becoming the anti-Japanese element of tomorrow.

Non-resistance made the people morbid, as we feel that the national spirit which manifested itself immediately after the Mukden incident of 1931 is evaporating, and it is a dangerous thing to see this spirit dying down, as without it there is no hope of the nation ever getting loose from the shackles of imperialistic power. Japan sees this full well, and that is why she demands suppression of the so-called anti-Japanese movement and the revision of school text-books.

Non-resistance renders it hardly possible to make preparation for war, as this required healthy national economics and the promotion of communications and food production, as well as the conservation of man-power, put with the pressure being brought to bear by Japan it is impossible to make headway in the material reconstruction of the nation. Since 1934 Japan's trade with China (not including Manchuria) has jumped to second place. Her dumping policy had destroyed our infant industries, and with the smuggling going on in the North and the forcible acquirement of raw materials in North China, China is being forced into bankruptcy. War industries in our own country, such as coal, and iron mining, are passing into the hands of the Japanese. In regard to foodstuffs, China has to import rice, which occupies first place among her imports. Communications in North China have fallen into Japanese control, and with 80 million of our compatriots—almost the population of Japan—fallen under virtual control of Japan, all material resources go with them.

There is no other resource but to resist. From the military point of view our equipment may be inferior to that of Japan, but this does not necessarily mean we must lose because of this. If that were so, it would be impossible to explain instances in history where the weak have won over the strong, and even in the success of our own Revolution and in the Shanghai and the Great Wall hostilities. Abyssinia was able to resist Italy's attack for eight months. What is most important is determination to sacrifice, and since we are in the position of the oppressed, it will be comparatively easier for us to present a united and solid front against the aggressor, who comprise a few of the more impulsive militarists.

Again, Japan has a standing army of only 200,000 with a total available force of only five million, while China has a standing army of four million, with an available force of 50 million. China's soldiers are experienced fighters and are able to stand hardships, while Japanese troops never see actual battles and are so well taken care of materially that they are used to comforts. In actual fighting, Japan has to depend on rapid marching and on seizing the seaports immediately, but China can meet them with guerilla warfare and by prolonging the conflicts. With communications in China as they are, it is impossible for Japan to overrun the whole nation in a short time, and a prolonged war may result in international complications for Japan, with the result that she would be a second Napoleon or a second William Hohenzollern. Economic conditions in Japan are not healthy, as the national debt amounts to Y10,000 million or more, with a yearly deficit of about Y800 million. With markets being closed to her products in all parts of the world, she will find it hard to carry on if China's markets are also closed to her during war-time. If coal and iron from China are not available, she will find it hard to get sufficient raw materials for munitions. On the part of China, her economic structure in the cities is not so important, and so it will not matter much if all the ports are taken from her, and as the standard of living among the people is low and more than 90% of the population are farmers, their livelihood will not be so hard as it would be otherwise. As we shall be fighting at home, our soldiers will be easier to feed, while Japanese troops will require much more elaborate upkeep in a foreign country, thus making a heavy drain on the treasury of the country.

In Japan is much dissension in political circles, as evidenced by the May and February uprisings. When war starts, thus making the life of the people still more unbearable, there will surely be revolutions at home and in Korea and Formosa, while in China, on the contrary, the various small factions will bury their differences to present a united front against the aggressors.

When war starts between Japan and China, Japan will find that England and America will take the opportunity to vindicate the Washington Nine-Power Treaty and the Kellogg Pact, which Japan tore to pieces. Japan will find she has no friends. China cannot entirely rely on England, America, or the League of Nations, but if she starts fighting she will find them of great help. We must remember that China is a good market for a number of nations, who will not readily give it up if they can help it.

We can see that resistance may mean heavy bloodshed, but it is a price we have to pay for the existence of our nation. The nation which is not willing to sacrifice will decline to the status of slaves, which is just what we are becoming under Japanese imperialism. Our determination to resist may arouse the feeling of the whole Japanese people against their own militarists, thus avoiding a ghastly war between the two nations.

Kweilin, Kwangsi Jan. 1, 1937.

SUNG PLEDGES TO DEFEND STATE, BUT URGES RELENTLESS WAR ON REDS

An open letter to all Party comrades was issued Jan. 20 by General Sung Cheh-yuan, Chairman of the Hopei-Chahar Political Affairs Committee. In this letter, General Sung states *inter alia*:

"(1). I solemnly swear to preserve national unity, enforce the orders of the Central Government, and make concrete efforts to strengthen the nation and purify officialdom.

(2). In fulfilment of my mission as a military man, I swear to do my utmost to protect the three essentials of a State: territory, people and sovereignty.

(3). I swear to exterminate the remnant Red bandits."

General Sung has also issued a circular order to the various organs under his direct jurisdiction. In this message he emphasizes the following four points:

(1). We must not participate in civil war.

(2). Any foreign power which invades our territory and insults our people is an enemy whom we must resist.

(3). Bandits and Red marauders, who are a source of menace to social peace and order, should be killed by every citizen.

(4). The suppression of Red marauders and bandits must not be regarded as civil war. Banditry must be fundamentally eradicated, so as to maintan peace and order."

JAPANESE DEMAND SUNG'S ARMY TO EVACUATE CENTRAL HOPEI

It is reported that the military authorities of the Japanese garrisons in North China have submitted a demand to General Sung Cheh-yuan, urging the latter to transfer the 29th Route Army in Central Hopei to the Northwestern and Southwestern districts to defend the first line of the joint Anti-Red defense. Japanese troops will replace the 29th Route Army in Central Hopei. It is learned that General Sung Cheh-yuan has rejected the demand.

Hope for Settlement of Shensi Situation Brightens; Wang May Again Head Executive Yuan

According to latest reports, the Shensi situation has been peacefully settled, though the terms under which Gen. Yang Hu-cheng and the Northeast Army leaders agreed to accept the Government's orders remain secret. It is reported, however, that one of the Nanking's demands is that the Shensi leaders force the Red Army to withdraw from the eastern and southern Shensi to the northern part of the province. In the meantime, the Government has ordered another delay in the punitive expedition scheduled to take place on Thursday, Jan. 27. At present, three representatives of Shensi are at Tungkwan, Honan, negotiating with General Ku Chu-tung acting on behalf of the Government to discuss details of the Settlement.

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. **Shensi Rebel Leaders Said Yielding to Government's Orders.**
2. **Yang Signs Pact With Reds, N. Shensi Assigned as Garrison Area.**
3. **Kwangsi and Szechuen Leaders Oppose War in Settling Sian Affair.**
4. **Gen. Chiang Said Urging Wang to Resume Executive Yuan Presidency.**
5. **Wang Ching-wei Defends Democracy, Denounces Communism in Speeches.**
6. **Dr. Yen Mentioned as Next Foreign Minister Replacing Gen. Chang Chun.**
7. **China's Progress in Foreign Relations in 1936 Reviewed by Dr. Li.**
8. **Suma Declares Impressed by "Kwangtung Spirit," Sees Progress in China.**

Prospects have appreciably brightened for an amicable settlement of the Shensi-Kansu imbroglio following the arrival at Tungkwan from Sian of Gen. Mi Chun-lin, Officer in-Charge of the former Northwestern Bandit Suppression Headquarters. Gen. Mi, who is now conferring with Gen. Ku Chu-tung, Director of the Generalissimo's Provisional Headquarters in Sian who is temporarily staying in Tungkwan, is said to have assured Gen. Ku of Yang Hu-cheng's remorse for his recalcitrancy towards the Central Government. The situation is generally believed to have taken a turn for the better partly because the rebels fear the prowess of the Central Government troops who have practically surrounded them and partly because of the refusal of Gen. Yu Hsueh-chung, chairman of the Kansu Provincial Government, to cooperate with Yang and the communists. Gen. Yu has declined to offer any suggestions to the group in Sian.

If Yang Hu-cheng, the recalcitrant Pacification Commissioner for Shensi, and his associates do not abandon their rebellious stand during the next few days the Central Government will take drastic measures against them, reported the *Hsin Min Pao* in Nanking Jan. 26. The central authorities, the paper said, has already mapped out definite plans for the rehabilitation of Shensi, and it is now up to the rebels to abide by the decisions of the government. That the situation in Shensi and Kansu is getting extremely grave because of the presence of large numbers of communist bandits was pointed out by the *New Capital Daily* in its editorial Jan. 26. Now that the associates of Chang Hsueh-liang and Yang Hu-cheng have allied with the communists, the journal said, the question is no longer one of suppressing the rebellion but of exterminating the Red influence which is now rapidly spreading in the two outlying provinces. It is urged that the Central Government to resort to military to military force to round up the outlaws before it ist oo late.

The Government has sent a firm reply to the latest proposals of General Yang Hu-cheng, leader of the rebellious Shensi troops, according to a *Reuters* report Jan. 25. Insistence on two fundamental points is the keynote of the reply, which Li Chih-kang, General Yang's representative, has been asked to take back to Sian from Nanking. These two points are:—

(1) The military command in Shensi and Kansu must be unified under the Government.

(2) The garrison areas of the various troops must be designated by the Government.

This reply amounts to a reiteration of the Government's original mandate of Jan. 5, which General Yang has refused to obey. Under that mandate he was ordered to remove his troops to the northwest of Shensi Province. The Government's reply virtually rejects the more important of General Yang's demands, the granting of which would remove the provinces of Kansu and Shensi from Nanking's control and place them under General Yang and his associates, including the Communists.

According to *Shanghai Nippo* Jan. 23, Gen. Yang Hu-cheng is maintaining his recalcitrant attitude towards Nanking and insists that Gen. Chang Hsueh-liang be permitted to return to Sian and that an area in the Northwest be demarcated for occupation by the Red Army. Anticipating hostilities, Gen. Yang has completed extensive defense preparations and has removed all important documents to Puchen.

According to *Shanghai Mainichi* Gen. Yang Hu-cheng has sent a letter to Gen. Feng Ching-tsai, a former subordinate who is now in command of the reorganized 27th Army (loyal to the Central Government), in which he indicates his decision to hold out against Nanking to the end. "I have made up my mind to fight until my last drop of blood is shed," Gen. Yang declares. "My fate is uncertain. Since we have been friends for many years, I entrust my aged mother to your care."

In view of the importance of Shensi and Kansu to national defence in the North-west, the Central authorities will not tolerate the existence of the Reds in the two provinces, *Kuo Min* reported Jan. 21. To eradicate the bandits and strengthen national defences, the Central Government troops have therefore completed a cordon in order to block the Reds from going southwards to southern Shensi and southern Kansu or crossing the Yellow River northwards to invade Shensi. The majority of the Reds, it is stated, are entrenched in the cities of Paoan, Anting, Fushih and Yenchang in northern Shensi, with a portion marching southwards to establish contact with Yang Hu-cheng and Chang Hsueh-liang troops.

YANG SIGNS PACT WITH COMMUNISTS, NORTH SHENSI DESIGNATED AS RED GARRISON AREA

Gen. Yang Hu-cheng has signed an agreement with the Communist bandits, including terms for their cooperation, according to reports received by military authorities at Hsuchow Jan. 22. The messages further state that Yang has appointed himself as Commander-in-Chief of the rebel forces, with Wang I-cheh and Miao Cheng-liu, divisional commanders of the ex-Northeastern Army, as deputy Commanders-in-Chief. In accordiance with the terms of the agreement, it is said, eight districts in north Shensi have been marked out as the garrison areas for the Red bandits. They are Kanchuen, Yenchuan, Changwu, Sushih, Lungtung, Chingyang, Hoshui and Chengning. To support the large numbers of Reds there, Yang Hu-cheng has ordered the people there to pay a "national salvation tax". Troops under the command of Yang Hu-cheng, originally stationed in the said eight districts, have been transferred to points in the vincinity of Sian.

A dispatch from Chungking reveals that scattered hordes of Communist bandits under Hsu Hai-tung have moved into Shanghsien, some distance to the south of Sian, and that Hsu himself and his political associates have also arrived there. A Chengchow report states that no change in the situation in the Huanshien-Chihsui area occurred lately, with Red troops dominating the defense ranks on both flanks of the railway. Chang Hsueh-liang's followers, according to the message, are at the crossroads. They are reported to by openly opposed to joining hands with the Communists but are helpless in the face of pressure exercised upon them by the rebel troops under Yang Hucheng and the Reds.

It is reported by *Shanghai Mainichi* that Gen. Yang Hu-cheng has sent $250,000 in cash and three carloads of ammunition to the Red Army now occupying Sanyuan.

The Communist leaders Chu Teh and Mao Tse-tung, together with Gen. Yang Hu-chen, are now staying at Lintung, according to *China Times* Jan. 20. Gen. Yang Hu-cheng visits Sian once or twice every day.

RED INFLUENCE SPREADS IN SHENSI AND KANSU

Chu Teh, nortorious commander of the Red Army, has established his headquarters at the Fushih district in northern Shensi, according to reports received at Loyang Jan. 25. Pingliang in eastern Kansu is now under the domination of the Reds who style themselves as "anti-Japanese allied forces." The Peace Preservation Corps in that city has been disarmed by the outlaws. Indicative of the rapid ascendancy of communist influence in the Northwest, one battalion of the Shensi troops under the command of General Sun Wei-ju, newly appointed Chairman of Shensi, has also been disarmed by the Red forces at Fuping in northern Shensi. In the recent military conference convoked by Yang Hu-cheng, more than 40 Red leaders participated, while only a handful of Yang's men were present. There are now signs of the rebels giving up Sian. Heavy field pieces belonging to Yang Hu-cheng have been transported to Sanyuan, while those belonging to Chang Hsueh-liang moved to Penghsiang.

Sanyuan and its surrounding districts, according to a *Central News* report, have been marked out by the bogus Northwest Military

Council as the garrison quarters of the main body of "Red" forces. Meanwhile about 3,000 "Red" troops under the notorious Communist leader Hsu Hai-tung have arrived in Sian. Yang Hu-cheng, the report stated, called a military conference of Northwest rebel commanders and representatives of the "Red" troops, including Chow En-lai and Wang Chia-shih, in Sian on Jan. 13. During the conference many proposals submitted by the "Red" delegates regarding the Shensi situation were discussed and accepted. The report also stated that Yang Hu-cheng proceeded to Lintung on Jan. 9 and conferred with Mao Tse-tung on the present Shensi situation. After the conference, they went together to Weinan to attend a mass meeting sponsored by the "Reds." Wiping out all Kuomintang influence in Shensi, the bogus Shensi Provincial Government, the report affirmed, has closed down all Tangpu and all its affiliated organs, and has issued orders for the arrest of important Kuomintang workers remaining in the province. The Hsiking *Jih Pao*, a Kuomintang paper in Sian, as well as many other papers and news agencies in Shensi have been taken over and reorganized by the rebels. Practically all papers in Sian are now under "Red" influence. Extremely active in reactionary propaganda in Shensi is the "Publicity Commission" under the bogus Northwest Military Council. Headed by Li Tien-tsai and Sung Yi-yun, this organization is instrumental in the organization of the large number of "national salvation associations" in the province, which are mainly responsible for the spread of reactionary thought in the province.

The supreme military command, according to the report, is nominally invested in the bogus Northwest Military Council of which Chang Hsueh-liang is the chairman and Yang Hu-cheng the vice-chairman. Since Chang surrendered himself to the Central Government, affairs of the council have been in charge of Yang. The council has reorganized the Northwestern troops and "Red" troops in Shensi into five army corps. The 1st Army Corps is commanded by Sun Wei-ju, the 2nd Army Corps by Mao Cheng-liu, the 3rd Army Corps by Yu Hsueh-chung, the 4th Army Corps by Wang I-cheh, while the 5th Army Corps is composed of the "Red" troops in Shensi.

Gen. Yu Hsueh-chung, chairman of Kansu, has reaffirmed his loyalty to the Central Government. A report received by the Mongolian and Tibetan Affairs Commission from Kansu states that Gen. Yu has asked the Central Government to dispatch a special plane to Lanchow to convey his personal representative to Nanking so that all existing misunderstanding may be cleared up. It is also said that Gen. Yu's signature as found in the manifesto issued by the rebels headed by Yang Hu-cheng in Sian was fabricated, and that press reports on the manifesto have been censored in Kansu.

REBEL ORGAN SAYS NANKING TROOPS PRESS TOWARD SIAN

The following manifesto, issued by the National Salvation Union in the Northwest, gave a detailed account of the advance of Nanking troops toward Sian.

The manifesto published in the *Emancipation Daily* at Sian Jan. 14 reads:

"While General Chiang is enjoying his short rest in Fenghua, a minority of ambitious Nanking politicians, without considering the real intention of the Northwestern people, have sent an overwhelming number of soldiers in an advance toward Sian. The movements of the Nanking troops are:

"1. Besides the 1st, 2nd, 3rd, 4th and the 5th Group Armies, 16 special units have been formed by the Nanking authorities to participate in an internal war against the Northeastern Army. Meanwhile, the 58th and 89th Divisions under Yu Chi-shih and the 28th, 23rd and 103rd. Divisions under Fan Sung-fu are also parparing to launch an attack on the right bank of the Hui River.

"2. The 76th, 79th, 61st, 14th, and 60th Divisions are, at the same time, ready to open an offensive on the left bank of the Hui River. The 14th Calvary Brigade is also conducting activities in the Peichun areas North of the Hui River.

"3. The 2nd Division under Wang Chi is to be responsible for the protection of Tungkwan, and to participate in the attack, if necessary.

"4. The 44th Division under Li Mu-an and the 4th Independent Brigade are to attack the Shan Hsien districts.

"5. The 49th and 51st Divisions are to co-operate with the 13th Division under Wan Yao-huang for a concerted attack on Sian.

"6. From the districts of Tiensui, Tunghui, Tsingning, Huining, Haiyuan and Yuwan, the 25th and 140th Divisions under Kwan Lin-chun, together with the 1st and 78th Divisions under Hu Chun-nan will also be prepared to attack Sian.

"7. Tang Wei-yuan is appointed the new commander of the 12th Division, Tseng Wen-tsung commander of the 7th Division, Mao Ping-wen commander of the 8th and 14th Divisions and Kung Lin-sen commander of the 43rd and 97th Divisions.

"While the above is a general account of the movements of the Nanking troops, the Northwestern authorities have also concentrated 400,000 troops to protect the Anti-Japanese bases in the Northwest. General Sun Wei-ju has been appointed commander of the 1st Group Army, with ten divisions under his command to defend the districts south of the Hui River; General Miao Chun-niu is appointed commander of the 2nd Group Army, with eight divisions under his commander to defend the districts north of the Hui River. Meanwhile, the 3rd Group Army was formed by the Northeastern Army under General Yu Hsueh-chung and those under General Teng Pao-sui, and the 4th Group Army formed by the Northeastern units under General Wang Yi-chi, each group consisting of 50,000 men, for the defense of Kansu.

"The total number of troops in the Northwest together with the Nanking forces is estimated at no less than 1,000,000 men, which, if mobilized to fight the Japanese, would undoubtedly smash the Japanese aggressors. It is hoped, therefore, that the nation will join us in urging a peaceful settlement of the present dispute."

IMPORTANT KANSU TOWNS RECAPTURED BY GOVERNMENT TROOPS

Kaotai, an important town in Kansu which has been under the occupation of the communist bandits for many weeks, was finally recaptured by government troops on Jan. 20 after a decisive battle lasting nine hours, according to a military report from General Ma Hung-kwei, Chairman of the Ninghsia Provincial Government. The government forces launched their attack at daybreak on Jan. 20 and succeeded in scaling the massive city wall to disperse the bandits who were then holding out from various vantage points. Altogether about 3,000 bandits were killed and 5,000 other captured, while minor casualties were sustained by government troops.

Following the capture of Kaotai, the Chinghai troops under Lieut.-General Ma Yuan-hai succeeded in occupying the city of Lintse, east of Kaotai, the following night. This report is contained in an official telegram received by Lieut.-General Ma Pu-fang, Commander of the newly organized 2nd Army and concurrently Acting Chairman of the Chinghai Provincial Government.

Communist troops, numbering about 1,500 strong, which recently captured Hochu, on the Shansi-Shensi border, have entered Suiyuan, according to a *Domei* report Jan. 20. The Red forces, which are now in Chunkoerhtussu, are commanded by Wang Chao-chieh, an aide of Mao Tse-tung, the report added.

Some 1,500 Communist troops under the command of Wang Chao-shih are invading the southern section of Suiyuan, reported *Shanghai Mainichi* Jan. 21.

Gen. Yen Hsi-shan of Shansi has ordered the erection of strong defence works along the Yellow River in western Shensi to prevent the Reds from crossing the river, according to General Tang En-po, Commander of the 13th Army.

As the "sore spot" of the nation now lies in Shansi and Suiyuan, the people of these two provinces should realize the dangerous situation confronting them and should do their best to overcome the crisis, according to a manifesto issued Jan. 22 by General Yen Hsi-shan.

GENERALS LI AND LIU OPPOSE CIVIL WAR

General Li Chi-sen (Chairman of the Fukien defunct Government) has wired to General Yang Hu-cheng, urging the latter to carry out his anti-Japanese proposals.

According to *The Emancipation Daily* Jan. 14, the wire reads in part as follows:

"The action of General Chang Hsueh-liang in accompanying General Chiang back to Nanking should be highly lauded. It is learned that the Nanking Government has still no intention whatsoever to engage in a resistance against the Japanese. Furthermore, a number of Nanking troops have been ordered to press toward Sian, while General Chang is still being detained in the capital. All this shows that the Central Government, while refusing to compromise with its own people, makes no preparations to resist the Japanese aggression. The people will support the National Salvation movement in the Northwest. You are requested, therefore, to carry on your work."

In a manifesto issued on Jan. 11, General Liu Hsiang, Chairman of Szechwan, demanded a peaceful settlement of the present trouble in Sian, pointing out that another civil war will only serve to minimize the strength of stanceresi of China. General Liu further urged in his manifesto the immediate return of General Chiang Kai-shek to Nanking which, he pointed out, is the best way to solve the Sian problem.

A circular telegram has been issued by General Ma Hung-kwei, Chairman of Ninghsia, expressing his loyalty to the Central Government. While expressing his earnest hope to avoid another civil war in China, General Ma stated in his message that the suppression of Chinese Communists, which has been the fixed policy of the Nanking Government, must be carried out.

"YOUNG MARSHAL" AGAIN DENOUNCED IN SHANGHAI

More than 100 delegates, representing various associations, unions, federations and other public organizations in Shanghai held a mass meeting at the Chinese Chamber of Commerce Jan. 21 to publicly denounce Chang Hsueh-liang, leader of the Sian revolt, and to urge General Chiang Kai-shek, president of the Executive Yuan, to immediately return to the capital to resume his duties at the head of the government. The delegates also dedcied to petition the government to send a punitive expedition against the rebels under Yang Hu-cheng who has defied the government's orders for the rehabilitation of the northwest province. The following proposals were also adopted at the meeting:

1. To list all crimes of Chang Hsueh-liang and publish them in the vernacular press;

3. To petition the Ministry of Justice to instruct the Supreme Court to investigate these crimes and to prosecute Chang Hsueh-liang.

A stirring appeal to the North-eastern Army (the Chang Hsueh-liang troops) to return to the Government fold was issued Jan. 19 by the North-eastern Residents Association in the Peiping-Tientsin area. The message begins by warning the troops against being utilized by communist bandits, who are notorious for their callousness and unscrupulousness. "If you join the communist bandits, they may utilize you for the moment, but will later massacre you," the message says.

Major Imai, Japanese military attaché, told foreign correspondents at Peiping Jan. 22 that Red influence in Shensi appeared to be spreading. Suppression of the Communists there might be a long task, he thought, recalling that it took five years to expel the Communists from Kiangsi province. Questioned concerning reports of Red activities on the Shensi-Suiyuan border, Major Imai stated that he had received reports of such activities in the area south of Paotou. However, he believed that only small bands of Reds were engaged in that neighborhood and that they did not consisitute a serious invasion of Suiyuan. His reports were to the effect that these bands were burning villages and engaging generally in bandit activities.

WANG CONFERS WITH GEN. CHIANG AT FENGHUA, URGED TO RESUME EXECUTIVE YUAN PRESIDENCY

Wang Ching-wei, Chairman of the Central Political Council, arrived at Chikow, Fenghua Jan. 24 to call on General Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission, who is now taking a rest there following his recent strain in Sian. Mr. Wang flew from Nanking to Ningpo in the morning of the day on board a Junkers airplane. After arriving in Ningpo at noon, he motored to Chikow, where he was greeted in person by General Chiang. Mr. Wang remained in consultation with General Chiang for three days and returned to Nanking on the morning of Jan. 27.

According to *Shanghai Mainichi* Jan. 26, Mr. Wang was urged by General Chiang to succeed him as President of the Executive Yuan. General Chiang is quoted as having said: "After the expiration of the one month's vacation, I shall tender my resignation as President of the Executive Yuan and the Chairman of the Military Affairs Commission, while remaining as a member of the C.E.C. With regard to the Chairmanship of the Military Affairs Commission, it will be decided after my personal consultation with my fellow colleagues of the Military Affairs Commission, following my return to Nanking. As for the Presidency of the Executive Yuan, you should undertake this important post." In reply, Mr. Wang said that, owing to health reasons, he felt it difficult in complying with this request; but, after repeated pursuasion by General Chiang, he promised to make a final decision, after he attended the meeting of the Central Political Council, following his return to Nanking on the 27th inst., and then proceeded to Shanghai for an interview with T. V. Soong regarding the matter.

The *Nichi-Nichi* reported Jan. 26 that Gen. Chiang Kai-shek will resign from the presidency of the Executive Yuan, retaining the chairmanship of the Military Affairs Commission, and that he will take over the chairmanship of the Standing Committee rendered vacant by the death of Hu Han-min last year. Dr. Wang Chung-hui, T. V. Soong and Dr. H. H. Kung have all been mentioned as likely to succeed to the presidency of the Executive Yuan when the Generalissimo resigns, but Wang Ching-wei is credited with the best chances of securing the post. The resignation of Gen. Chang Chun as Minister of Foreign Affairs is considered inevitable because of the opposition the minister is encountering from Dr. H. H. Kung and his followers.

China both at present and in future will continue to proceed along the highway of democracy as dictatorship does not suit the conditions of the nation, declared Wang Ching-wei, Chairman of the Central Political Council, in a speech at the International Club in Nanking on Jan. 21. Generally speaking, Mr. Wang began, democracy became popular in Europe after the World War and this had led many to believe that democracy is the final word in politics. Not many years had elapsed, however, there arose in Russia a proletariat dictatorship which was followed by the establishment of a fascist regime in Italy and a National Socialist regime in Germany. Again this had created the prevailing impression that democracy, wedged in between communism on the one hand and fascism on the other, is doomed. But is it not true that Great Britain, France, and the United States are still maintaining their democratic forms of government? And is not China a democracy and the Kuomintang its believer and practiser? During the last few years, Mr. Wang continued, Gen. Chiang Kai-shek has repeatedly emphasized the incompatibility of dictatorship with Chinese conditions. Undoubtedly both today and tomorrow, therefore, China will stick to the highway of democracy. Critics of democracy mention as it smajor defects corruption in election, non-reliability of the decisions of the majority, the handicaps placed on administrative machinery by other organs, slowness of action and inefficiency to the point of impotency. In fact, however, Mr. Wang pointed out, Dr. Sun Yat-sen had corrected these defacts in his Three People's Principles. Certainly, Dr. Sun's doctrine on People's Rights (Min-chuan-chu-i) fits best with democracy, which cannot be labelled as haphazard imitation of democratic theories of the eighteenth and ninteenth centuries. Mr. Wang expressed his belief that if China practiced democracy on the basis of Dr. Sun's Min-chuan-chu-i, all the defects of democracy can be avoided. Mr. Wang then mentioned the Sian revolt, saying that while due credit must be given the Central Government for its proper handling of the situation, and the greatness of Gen. Chiang Kai-shek's personality, it must be admitted that public opinion as reflected in the nation's press had also operated as a powerful force behind the Government. The moral, therefore, Mr. Wang pointed out, is that the cultivation of people's political strength is an important principle in the task of national salvation and he hoped that critics of democracy would not overlook this point. For himself, Mr. Wang professed his inability to see any conflict between the concentration and unification of political powers in the hands of the Government in time of crisis, and the fostering of people's political strength. There is mutual independence between the Government and the people. For without people as its foundation no democracy can be built. This is also true in the case of dictatorships which also must have the support of the people. Confronted with domestic anxieties and external aggression, China has only one way to organize herself, Mr. Wang asserted, and that is to base her policies on the common and collective interests of the nation and the people as a whole. Only thus can China succeed in having a Government strong enough to meet the existing national crisis. Mr. Wang concluded by claiming that China in her efforts to save herself and to ensure her continued existence is steadily proceeding along the road of democracy as marked out by the late leader, Dr. Sun Yta-sen.

The only way to bridge over the present national crisis and to safeguard the existence of the nation is for the Chinese people to adopt the following slogans: "Externally to defend our territory" and "Internally to unite the whole country". Thus declared Chairman Wang Ching-wei of the Central Political Council in a broadcast speech over the Central Broadcasting Station Jan. 22. Mr. Wang made a scathing attack against the communist bandits and warned the public from being decieved by the underhand tactics of the Reds in stirring up dissensions in this country. Communism can not be applied in China, asserted Mr. Wang. Although Communism may be successfully carried out in Soviet Russia, the environment confronting that country and the period of revolution between China and U.S.S.R. is so different that it is impossible to draw any comparison. With the exception of Soviet Union all other European countries which had once tried Communism had nearly lost their independence, Mr. Wang said. Judging from the lessons in Europe, he added, it is only apparent that if China adopts Communism at present she will immediately perish. On the other hand, if China allies with the commujnists she will be manipulated by the Reds, which fact alone will arouse great internal upheaval. The veteran statesman denounced the tactics of the communist bandits in borrowing the slogans of the Central Government to win public support. The past experience, he said, has convinced us that the Reds do not intend to uphold China's territorial integrity. Citing the present bandit-suppression campaign in Suiyuan as an example, Mr. Wang said that the progress achieved so far was not won overnight. It was brought about as a result of the bitter lesson from the Shanghai and Great Wall Hostilities. As the Central Government was directing the local authorities in Suiyuan to defend that province against external aggression, he regretted, there suddenly occurred the dastardly capturing of the highest military authority of the country, Generalissimo Chiang Kai-shek in Sian. Such attempt which put the defenders on the front at a crossroad, in the view of Mr. Wang, was apparently made to split up the nation's territory. And yet the communists still pretend that they are ready to defend the country's territory. Mr. Wang ridiculed the advocation of "people's front" by the communist bandits. Only Kuomintang, he said, is capable of uniting the masses. The ultimate aim of the Kuomintang is to achieve national revolution which strives for the existence and prosperity of the nation. It places the welfare of the nation into the foremost consideration. "The communist party on the other hand aims at class struggle. Instead of uniting all classes, it favors the dissolution of the people's front. The Sian revolt is a concrete proof of their ulterior design." Continuing, the former Executive Yuan President said that since the Reds in Kansu and Shensi had been cornered by government troops, they had either to surrender to the government or choose the course of extinction. Then China would be able to mobilize the force of the entire nation to expel external aggression. China, Mr. Wang pointed out, is at present sandwiched between internal turmoil and foreign invasion. So precarious is her position that one menace alone is enough to cause her to perish. Externally, China has lost four northeastern provinces. Chahar, and east Hopei are fraught with danger. Internally, the communist bandits have wrought havoc whenever they went. Scenes of depredations and desolution exist in Kiangsi, Hunan, Kweichow, Yunnan, Szechwan, Shensi and Kansu, through which the Reds made their escape. Such is the picture of China during recent years, he went on. She has to suppress the communist bandits on one hand and to repulse foreign encroachment on the other hand. Mr. Wang believed that the only way out for China is to support the original policy of the Government and to jointly

work for its realization. If the whole nation is solidly behind the Central Government no dissensionists and ambitious militarists will be able to undermine the national salvation program. Until then can reactionary elements in this country be exterminated and external menace repulsed, Mr. Wang concluded.

DR. W. W. YEN MENTIONED AS NEXT FOREIGN MINISTER

Dr. W. W. Yen, veteran Chinese diplomat and until recently ambassador to Soviet Russia, has been requested to come out of retirement and take over the important post as Minister of Foreign Affairs after the conclusion of the Third Plenary Session of the Fifth Central Executive Committee of the Kuomintang to be held in Nanking on Feb. 15, according to a report in the *Shanghai Evening Post*, Jan. 25. The Grand Old Man of the Chinese diplomatic service, who arrived from Tientsin recently, left for Hangchow by train Jan. 25 en route to Fenghua where he is to confer with General Chiang Kai-shek and Wang Ching-wei. The reported impending change in the Foreign Ministry is said to be one of the steps contemplated by the Nanking leaders. A reorganization of the National Government, particularly the Executive Yuan, which is a virtual cabinet, has been reported as likely during the C.E.C. plenary session in Nanking.

CHINA'S PROGRESS IN FOREIGN RELATIONS DURING 1936 REVIEWED BY DR. T. T. LI

That China has made satisfactory progress in her diplomatic relations during 1936 through her adoption of a definite policy of self-reliance, general improvement in internal conditions, national defense and military preparations was expressed by Dr. T. T. Li, Director of the Intelligence and Publicity Department of the Ministry of Foreign Affairs, in a speech at the reception given in his honor by the China Institute of International Relations at the Bankers Club in Shanghai Jan. 25. The meeting was presided by Dr. Herman C. E. Liu. China's foreign policy since the Mukden Incident of Sept. 18, 1931, Dr. Li said, has generally pursued three courses: namely, Tokyo, Moscow and Geneva. After referring to the popular observations of results of these courses, Dr. Li reviewed the past year's events, and described the tendency of China's foreign policy as follows:

Dr. Ti-tsun Li

1. Owing to the general strengthening of the country, China's foreign diplomacy has been gradually centered on the principle of self-reliance and has thus assumed a positive charactrer.

2. Though the effort of the government to cultivate international goodwill is not limited to any one country or groups of countries, China's present foreign diplomacy of self-reliance is finding expression in these directions. Firstly, China will follow the regular diplomatic channel to attempt to readjust her relations with Japan. Secondly, China will support the League of Nations to promote peace and international cooperation. Thirdly, China will seek to improve the existing friendly relations with Soviet Russia, the United States and other European countries. Dr. Li opined that foreign diplomacy is closely linked with internal conditions and the two cannot be separated. If the national strength is increased, the country's foreign diplomacy will also be strengthened. With adequate backing, the nation may pursue any course in its foreign relations; without such backing no course we choose is sure to bring about success. The speaker concluded by saying that we must seek to save the country through our own efforts and cooperation and sounded a note of warning against any false hopes to evade the present difficulties.

SUMA IMPRESSED BY "KWANGTUNG SPIRIT," URGES JAPAN TO CONTINUE PRESENT POLICY

Drawing upon his 10 years of experience as a diplomatic officer in China, Yakichiro Suma, former Japanese consul-general in Nanking, counselled Jan. 25 the continuation of Japan's present policy towards its neighbor. "We should go on without faltering until we attain our ultimate objective," he told reporters on board the s.s. *Taiyo Maru* on which he arrived from Shanghai. "Aside from the progress in education and in reconstruction projects, I was struck most by the rise among the Chinese of the so-called 'Kwangtung Spirit.' But lately this spirit has undergone a change. It is no longer consonant with the teachings of Dr. Sun Yat-sen, who advocated Sino-Japanese co-operation for the establishment of peace in the Far East." Mr. Suma remarked.

"China is a big market, open not only to Japan but to other foreign powers as well. Japan is principally interested in the means for developing this market. She must therefore take a possitive attitude toward China, formulating her policy not from the point of view of what China is today, but on the basis of what China can become. Without this, Sino-Japanese relations can never be readjusted." This viewpoint was expressed Jan. 21 by Y. Suma, who left China for Japan on Jan. 23 after completing 11 years' service in this country. Mr. Suma arrived in China prior to the death of Marshal Chang Tso-lin, former warlord of Manchuria. He therefore lived through the awakening of "Young China," which he describes as a revolutionary development motivated by the "Kwangtung spirit." "Although Gen. Chiang Kai-shek is not a native of Kwangtung," Mr. Suma told his interviewers, "he was nevertheless trained in the Kwangtung spirit, which has become the spiritual force of the National Government and of all China. This spirit aims at the restoration of China's national glory. It reaches out to regain China's lost territories. It is necessary for us to accord due recognition to this fact."

Y. Suma, who has been promoted to be Counsellor of the Japanese Embassy at Washington, made a farewell call on General Chang Chun, Minister of Foreign Affairs, Jan. 20. Mr. Suma was the guest of honor at a luncheon given Jan. 19 by Ma Chao-chün, Mayor of Nanking. In the evening, he was entertained at a farewell banquet given by Kao Tsung-wu, Director of the Asiatic Affairs Department of the Foreign Ministry.

Both the Ministry of Foreign Affairs and the Japanese Embassy in Nanking failed to confirm earlier press reports to the effect that S. Kawagoe, Japanese Ambassador to China, is coming to the capital before the opening of the forthcoming Third Plenary Session of the Central Executive Committee and the Central Supervisory Council on Feb. 15, according to *Central News*.

Under the pretext of suppression of the Communists, the Japanese have demanded the transfer of the Chinese troops in Hopei and Chahar to the southwestern part of those two provinces to form a first line of defence against the Communists, leaving Peiping, Tientsin and the vast area in the northeastern and central part of Hopei and Chahar to the Japanese troops for defence, according to a report in *Hwa Mei Wan Pao* Jan. 21.

Views regarding a joint Red-defence in China by Chinese and Japanese were exchanged between General Sung Cheh-yuan, Chairman of the Hopei and Chahar Political Council, and General Tashiro, Commander of the Japanese garrisons in North China, at a dinner party in Tientsin Jan. 21. In addition, the question of the preservation of peace and order in the North and that of Sino-Japanese economic co-operation were also brought up for discussions bewteen the two officials.

"A blow to Nanking"—this is the interpretation which the *Shanghai Mainichi* places on the declaration which Gen. Sung Cheh-yuan made on Jan. 20. "The main points of the declaration," the paper says, "were that bandits and Communists must be suppressed and that work of this kind cannot properly be described as civil war. By these statements, Gen. Sung eggs Nanking on to fight the Communists. His declarations against Japan are merely a gesture."

MONGOL IRREGULARS MAP OUT NEW PLANS FOR INVASION OF SUIYUAN

It is reported that the "Manchukuo" and Mongolian bandits have three plans for the renewal of the invasion of Suiyuan, namely, (1) to employ a small number of bandits to embarrass the defenders at Hingho and Taolin, eastern Suiyuan, at the same time despatching the main forces to assail Tamiao and Pailingmiao, northern Suiyuan. A strong contingent will later be sent to attack the defenders along the Peiping-Suiyuan Railway; (2) to allot 30 regiments of Jehol troops and "Manchukuo" and Mongolian bandits for the attack on Hingho and Taolin in three separate routes from Nanhaochan, Tatsingkow and Shantu; and (3) to attack Fengchen and Tatung, along the Suiyuan-Shansi border, with all available forces in order to sever communications on the Peiping-Suiyuan Railway. Three field guns, 30 light and 30 heavy machine guns, 5,000 rifles, and 7,000 cases of gasoline have been supplied to the bandits by "certain quarters."

Reorganization of bandit fighting units under Wang Ying and plans for consolidation of their positions in north Chahar were discussed at a conference of "Irregulars" leaders convened by "certain quarters" at Changpei on Jan. 18 and 19, according to *Central News*. Attending the conference were Prince Teh and Tso Shih-hai, Mongol "Irregulars", and Li Shou-hsin and Chang Wan-ching, "Manchukuo" commanders, and other bandit leaders. It was decided that the bandit forces will be further strengthened before launching upon another attack on Suiyuan, and that $1,000,000 "Manchukuo" notes will be appropriated for the reorganization of the units under Wang Ying and Chang Wan-ching. The present strength of the "Irregulars" now in north Chahar is estimated at about 20,000 men, including 3,000 under Li Shou-hsin, 4,000 under Prince Teh, and 13,000 under the other bandit leaders.

To prevent the further defection of the "Irregulars", "certain quarters" are making a close check on the number of rifles assigned to each unit. If four rifles are found missing in any regiment the commander will be put to death, according to a warning issued by "certain quarters".

To maintain closer contact between the provincial authorities and the various leagues and banners, the Suiyuan Provincial Government is establishing five new telegraph offices in Tamiao, Pailingmiao, Wulanhwa, Wulungpuloung and Erfengtzo, *Central News* reported Jan. 20.

Japanese Diet Dissolved; Hirota Cabinet Resigns; Army Opposes New Appointee

IN one of the most turbulent sessions in the history of the Japanese Diet, the Army and Premier Koki Hirota's Cabinet were subjected Jan. 21 to withering parliamentary fire for their alleged efforts to wreck constitutional government in Japan. Orators assailing the Army and the Government were wildly applauded, while Premier Hirota and the members of his Cabinet were unable to make themselves heard through the din reigning in the House. The climax of the session was reached late in the afternoon, when Kunimatsu Hamada, a Seiyukai veteran and one of the ablest speakers in the Lower House, mounted the rostrum. His address, frequently punctuated by cheers from all benches, formed a bitter attack upon the Army's alleged meddling in politics and its efforts to substitute dictatorship for constitutional government.

"If soldiers wish to take part in politics" he declared, "they must lay aside their sabers, take off their uniforms and become civilians! It is a fallacy to speak of co-operation between the Army and the civilians in reforming the political system. The Army has no right to perform such a function."

Turning to the Government benches, Mr. Hamada asked the Premier if he intended to seek the Army's assistance in his work. The sudden rise in commodity prices menacing the people's livelihood, he asserted, was caused by the appropriation of record amounts for defense. The military estimates he declared, are today three times what they were at the outset of the Manchurian incident, in 1931. Japan's productive capacity has only doubled during the same period of time, Mr. Hamada declared. The Government, he went on, must formulate its budget "ignoring all threats and persecution." National defense is best served, he asserted, by the strengthening of the nation's economy. Mr. Hamada concluded his dramatic speech by crying out: "The Army must do away with its superiority complex!"

Gen. Count Hisaichi Terauchi, War Minister, and Lieut.-Gen. Yoshijiro Umetsu, Vice-Minister of War, sat through the speech with impassive faces.

Premier Hirota came to the Army's rescue, declaring that there was no justification for the charges that Fascism has been taking Japan into its grip, with the assistance of the military.

"The negotiations with China," Mr. Arita stated, "have failed to produce as yet anticipated results. However, I am convinced that these negotiations are of significant value in that they will serve as a stage in the progress of further negotiations. Since our fundamental policy towards China is directed most certainly towards the collaboration, friendship and common prosperity of the two countries, a renewal of the endeavors for an adjustment of Sino-Japanese relations, with a fresh resolve and determination, is not only the obligation of the two Governments, but the common desire, I believe, of both nations," he declared.

Responsibility for world unrest, "which appears to be growing worse than ever," was placed by Foreign Ministe Arita on the shoulders of the Communist International. Mr. Arita devoted a large portion of his 5,000-word review of Japan's foreign relations to explaining the factors that led to the conclusion of the German-Japanese anti-Communist accord on Nov. 25, 1936. The tenets of the Comintern, the Foreign Minister asserted, are not only "incompatible with the national polity of our country, but inconsistent with human nature itself." The "tenacious and ingenious" operations of the Red International, he went on, led Japan to conclude an agreement with Germany "for a joint defense against Communism."

Gen. Terauchi, following the Premier to the rostrum, declared his belief that the parliamentarians are being "unduly swayed by baseless ideas, when they profess to see changes in the form of Japan's government." He said he regretted to hear Mr. Hamada's "slanderous remarks," which went contrary to the spirit of co-operation between the people and the Army. His remarks were jeered loudly from the Seiyukai benches.

Japanese Army circles made it known Jan. 22 that in their opinion all the constituent parties of the House were unworthy of the important task to cooperate in renovating the nation's civil administration. The stand taken by the political parties as regards the suggested renovation of civil administration, Army circles argued, was obsolete and unsuited to the present crucial conditions. If they had their way, it would mean that Japan's entire continental policy would have to be abandoned.

Withering under the jeers of mocking parliamentarians and a biting attack by a former Speaker of the Lower House, the Hirota Cabinet on the night of Jan. 21 sought and secured a two-day recess of the newly re-convened Diet. Simultaneously, the Cabinet issued the following statement: "In view of the debates in the Diet today, we sought an Imperial mandate suspending the current session for two days."

Aside from the acrid interpellations, the public's interest in Diet proceedings centered on the address of Dr. Eiichi Baba, Finance Minister. This was motivated by the record budget that the Government is submitting to the Diet and the susbsequent rise in the price of commodities.

The Government, Dr. Baba said, not only made the appropriations necessary for the realization of important national policies, but also adopted a program designed to strengthen the foundations of public finances by increasing normal revenues as much as possible. The Budget for the 1937-38 fiscal year was compiled on those principles, the Finance Minister went on. It was balanced at Yen 3,038,500,000, an increase of Yen 733,000,000 in revenue and of Yen 727,000,000 in expenditures over the present schedule.

Vociferously opposing a compromise between the Government and what they described as "the atrocious political parties," rightist organizations Jan. 23 moved towards the creation of a Nationalist Front pledged to support the Army. Included among the groups seeking fusion were the New Japan's Seamen's Union; the New Japanese National Union; the Japan Production Party; the Japan Labor Union; the General Federation of Japanese Young Men's Parties; the National Federation; The Patriotic Laborers' and Farmers Society. Politically, these groups heretofore have had definite influence.

HIROTA CABINET FALLS

Unable to weather storm, the Hirota Cabinet fell Jan. 23. Premier Koki Hirota dramatically took the lead in advocating the resignation *en bloc* of the Government, which he had formed a little over ten months ago. Assuming responsibility for the lack of unity among them, the Ministers decided to tender their resignations *en bloc*. Premier Hirota proceeded to the Imperial Palace at 4:54 p.m. to convey the views of his colleagues to the Throne. This action followed a heated Cabinet session during which efforts to mollify the attitude of Gen. Terauchi failed.

Gen. Count Hisaichi Terachi, War Minister, Jan. 32 revealed that he had tendered his resignation to Premier Hirota before the latter had proposed to his Ministers to quit *en bloc*. "I resigned because present conditions run counter to my convictions," he told reporters at his official residence, Jan. 23.

Unable to control unruly parliamentarians, the Government Jan. 23 announced the dissolution of the seventieth session of the Diet. The drastic step was decided upon at an emergency meeting of the Cabinet the previous morning, at the insistence of General Terauchi.

In a brief audience, the Emperor accepted the the Cabinet's resignation and instructed Mr. Hirota to remain in office until the appointment of his successor. Mr. Hirota then returned to his official residence where he informed his colleagues of the monarch's wishes. *Domei* said the Premier's action took the political world by surprise as overnight maneuvers had given rise to the belief that a crisis would be averted.

Prior to the selection of Gen. Ugaki, high Army officials emphasized that the next Premier "must be a man in close touch with the trend of the times."

Mr. Hamada, Jan. 24 modestly claimed credit for wrecking Premier Koki Hirota's Cabinet. Recalling that he has been named "the killer of Cabinets" for forcing the retirement of three Governments in the past, Mr. Hamada said there was no doubt his Diet speech precipitated Mr. Hirota's resignation.

Gen. Kazshige Ugaki, former Governor-General of Korea and a perpetual "dark horse" of Nipponese politics, was ordered by the Emperor at 9:10 o'clock on the night of Jan. 24 to form a new Cabinet. The Imperial command followed the recommendation of Prince Kimmochi Saionji, the only surviving "genro." Prince Saionji, known in Japan as "the maker of Cabinets," was requested the previous night to proceed to Tokyo from Okitsu to give personal counsel to the Emperor. The 87-year old statesman, however, informed Mr. Yuasa that his health did not allow him to make the trip to the Capital.

The Imperial command reached Gen. Ugaki at Mishima, Shizuoka Prefecture. He departed for Yokohama for the Capital by train the same night, continuing his journey to the Capital by automobile.

The 68-year Premier-designate had been mentioned as prospective Cabinet head at each change of the Government in the past decade. Be began his military career in 1891 as a sub-lieutenant, rising to the rank of General in 1925. A year earlier he was appointed War Minister in the Cabinet of Count Keigo Kiyoura. He held the War portfolio in the succeeding two Cabinets, being appointed member of the Supreme War Council in 1927. Shortly afterwards he resigned from the Council again to become War Minister in the Cabinet of Yuko Hamaguchi, which office he held until April, 1931. Upon Gen. Ugaki's withdrawal from the Government, he was again ordered to the War Council and accorded the treatment of a Minister of State. He was placed on the reserve list in June, 1931, and immediately afterwards was appointed Governor-General of Korea. He held that office until last August, when he resigned, assuming responsibility for the mutiny of Feb. 26.

The Army, early in the morning of Jan. 25, announced its opposition to Premier-designate Gen. Kazushige Ugaki. The Army's stand was defined at a meeting of high military officials convoked three hours after the Emperor commanded Gen. Ugaki to form a new Cabinet. The conferees motivated their attitude by the following reasons: Gen. Ugaki's views on the current domestic and foreign problems are at variance with the opinions entertained by the Army; Gen. Ugaki's appointment would hinder the purge of Army ranks, undertaken after the mutiny of Feb. 26, and would make it difficult to control the rank and file. In these circumstances, the officials agreed, the Army was not in a position to recommend any officer to serve in a Cabinet headed by Gen. Ugaki.

Hirota in Speech Said Japan Will Not Start Naval Race

Japan has no intention to launch an armaments race, but she will perfect her defenses to enable her to face the changed international situation, prevent war, fulfill her national mission and secure prosperity, Premier Koki Hirota told the Diet in his speech Jan. 21.

Party Heads Assail Cabinet's China Policy

The Presidents of the major parliamentary parties Jan. 20 bitterly assailed the Government for its alleged failure to readjust Sino-Japanese relations. Chuji Machida, President of the majority Minseito party, addressing a general meeting of the organization, declared that the Cabinet had not kept its promise of last year to clarify "fundamental issues" affecting the two countries. The Government, he asserted, had not solved a single important problem involved in Sino-Japanese relations, "thus betraying the nation's hopes and expectations."

Arita's Foreign Policy Censured

During the opening session of the Diet Jan. 21, Mr. Sakurauchi made a severe attack against the Hirota-Arita foreign policy towards China.

The Government's policy, Mr. Sakurauchi said, has been entirely wrong at the very beginning. Especially ill-conceived was the Foreign Minister's statement, at the beginning of the Nanking negotiations, that China was at a crossroad and Sino-Japanese relations would turn either very much better or very much worse. Such propagandist tactics, Mr. Sakurauchi claimed, was unequalled in its clumsiness in any other country.

Cries of "Shame" Greet Baba in Diet

Cries of "shame" and cat-calls greeted Dr. Eiichi Baba, Finance Minister, as he mounted the rostrum of the House of Representatives to explain the Treasury's policies Jan. 21. The noise lasted several minutes, until Speaker Kojio Tomita succeeded in restoring order. Dr. Baba's address lasted half an hour.

As expected by political quarters, the Minister's speech foreshadowed an unbalanced budget for several years to come. The Treasury, he declared, will be forced to issue in the next few years bonds to the amount equal to the bond issue for the 1937-38 fiscal year, or about Yen 800,000,000.

The increase in bond issue over the preceding years, Dr. Baba asserted, was necessitated by the increased expenditures for the realization of new major national policies, including national defense

CHINESE PRESS COMMENT ON JAPANESE CABINET CRISIS

The fall of the Hirota Cabinet is the inevitable result of the conflict between the Japanese military and the parliamentarians. This is the view of most Chinese newspaper comment, according to a survey by the *Kuo Min* News Agency.

Weak Foundation

The *Ta Kung Pao* observed that the fall of the Hirota Cabinet may seem unexpected, but was in fact inevitable, because this cabinet was born of the "Feb. 26" Incident and had no firm political foundation. In view of his wide political experience and ability, General Ugaki is likely to succeed in forming a new cabinet despite the opposition of the War Office.

Continuing, the journal remarks that the present cabinet crisis in Japan marks an aggravation of the conflict between two opposing tendencies in Japanese politics: aggressiveness and conservatism. Whatever may be the composition of the new cabinet, the Diet will probably be dissolved. The conservative forces are likely to be defeated, and the new cabinet will have to recognize accomplished facts.

Fell Under Cross-fire

The *Min Pao* writes that the Hirota Cabinet was torn asunder under the cross-fire of the War Office and the Diet. The present opposition of the War Office against General Ugaki will, however, be only temporary, because, after all, the War Office cannot entirely repudiate Parliament.

The journal predicts that, as in the past, when the power of the War Office expanded with each fall of a Cabinet, the present cabinet crisis will end with greater power for the War Office. No matter who heads the new cabinet, in view of the opposition between the Diet and the War Office, no satisfactory results are likely to be achieved.

Dictatorial Regime

The *Shun Pao* observed that the present cabinet crisis is due to the desire of the War Office to establish a dictatorial regime and enforce a policy of rationalized control. Analysing the situation from the standpoint of national economy, it states that the financial difficulties of Japan are considerably augmented by the demands of the War Office for huge apporpriations for national defence, for which the raw materials are not obtainable in Japan. Orders must

be placed abroad, with the consequent upsetting of the foreign trade balance.

Moreover, in view of the tendency of world commerce towards free trade among nations, the Japanese industrialists and merchants can no longer submit to national control over trade and commerce, but must follow the path of free trade. Consequently, the Diet and the War Office have come to a head-on collision. If Japanese politics should be placed under the complete dominance of the War Office, serious repercussions are likely to occur in the Far Eastern situation.

Financial Dissatisfaction

The *Sin Wen Pao* writes that though Mr. Hamada, Seiyukai leader, attacked the Hirota Cabinet on the grounds of both domestic politics and diplomatic policies, the chief point of dissatisfaction was financial. The huge military budget, amounting to 1,426,-000,000 yen, presented by the War Office—representing 47 per cent of the total annual budget,—cannot but arouse the opposition of the masses.

Referring to the fact that the Washington Naval Pact expires this year, the journal expresses the fear that the international situation in the Pacific is likely to be aggravated, and the Japanese War Office is likely to further steangthen its policy of aggression against China.

Diet Dissolution

No matter whether General Ugaki succeeds in forming a new cabinet or not, in the opinion of the *China Times*, the Diet is likely to be dissolved. The Japanese War Office must however reconsider its policy towards the Diet, for it persists in its uncompromising attitude, parliamentary politics in Japan, with a history of over 40 years, will be fundamentally shaken and altered.

"Lih Pao" Comments on Mr. Arita's Diet Speech

Commenting on the speech delivered in the Diet by Mr. Arita, the *Lih Pao* in an editorial warned Japan against embarking on an attempt to bring about the colonial enslavement of China. "Mr. Arita declared that the Third International is a hindrance to good relations between Japan and China, but this is a joke," the paper asserted. "Japan invades our territory and tries to extinguish the Chinese nation by means of her 'three diplomatic principles.' How, in such circumstances, can there be good relations between our two countries? True, Mr. Arita's speech included many references to 'co-existence' and 'equality,' but we know what kind of equality Japan has given to Korea and Manchukuo.

"The Chinese people are neither blind nor fools. We therefore declare openly that if Japan, under the guise of anti-Communism, strives to enslave China, the Chinese people will shatter this fine Japanese dream."

Ugaki Appointment Favorably Received in Tokyo

The appointment of Gen. K. Ugaki as the new Premier in succession to Koki Hirota was favorably received in many influential quarters in Tokyo. He was assured of the support of the Minseito, the largest Party in the Diet, and the passive goodwill of the Seiyukai, the second largest Party. Gen. Ugaki's appointment was also welcomed by financial circles who regard him as a moderating influence between the right and left camps and hope his advent would hold in check to a considerable extent the increasing activities of the right extremists.

Commenting on the new appointment, the *Tokyo Asahi* declared that the only thing Gen. Ugaki has to worry about is the Army's oppositilon.

In a leading article, the *Nichi Nichi* expressed the hope that the Ugaki Cabinet would first dissipate the gloomy outlook now enveloping the political horizon and proceed to secure the good will of the people in shaping the major policies of the nation.

Japanese Press Hails Ugaki's Selection

Selection of Gen. Ugaki for the arduous task of forming a new Cabinet was hailed by the Tokyo press. The *Nichi-Nichi* leading daily, declared that the entire nation is "bound to give solid support to Gen. Ugaki." The another leading journal, expressed a fervent hope that Gen. Ugaki would succeed in settling the controversy between the political parties and the Army which precipitated the resignation of Premier Koki Hirota's Cabinet. The *Yomiuri* voiced a hope that Gen. Ugaki would succeed in forming a new Cabinet at an early date, but counselled him to be cautious in the selection of Ministers.

General Terauchi Incensed at Criticisms

Incensed by the criticisms of the Minseito and the Seiyukai over Government policies, Count Gen. Terauchi, the War Minister. Gen. Terauchi Jan. 21 said he was surprised that the two largest parties of the Lower House did not see the necessity for the reinforcement of national defence. If the two parties intend to oppose the Cabinet at all, he said, let them withdraw their cabinet members first and then they will be unhampered when voicing their dissatisfaction against the Government.

The "Big Three" of the Japanese Army—Prince Kanin, the Chief of the General Staff; Gen. Count H. Terauchi, Minister of War in the outgoing Government, and Gen. Sugiyama, Inspector-General of Military Training—head a 90-minute conference Jan. 26, according to the *Asahi Shimbun*. After the meeting, Count Terauchi officially informed Gen. K. Ugaki, the newly appointed Premier, that the Army declined to nominate a Minister of War in his Cabinet. Under the surface however, it is believed that Gen. Ugaki is steadily strengthening his position with the more moderate military faction. Meanwhile the Japanese public and the press are almost solidly behind the new Premier and are critical of the Army "die-hards."

French Centrist Organ Sees Japanese Army as Truculent

Unanimously recognizing the gravity in Paris of the crisis in Japan, newspapers printed long dispatches from Tokyo. "What will the army do?" asked the centrist *La Republique*. "That is the only point. We are told that excitement prevails in military circles; it seems to us to be certain that the army will require a preponderant influence in the future Cabinet, and if it does not get this influence, it will not hesitate to provoke a military coup d'etat."

Nanking Watching Political Crisis in Japan

The Central Government is paying great attention to the political crisis in Japan, the view being held that the fall of the Hirota cabinet was brought about by the failure of its diplomatic policy. It is the general belief that the new cabinet will adopt a much stronger policy towards China, since the policy will inevitably be dictated by the War Ministry.

Hirota Cabinet Holds Meeting, Despite Resignation

Still in harness, in spite of their resignation en bloc on Saturday, the members of the outgoing Hirota Cabinet gathered for their regular bi-weekly meeting at the Premier's residence Jan. 26.

Bankers to Erect Memorial to Takahashi

With the approach of the first anniversary of the assassination of Finance Minister Takahashi, a group of leading Japanese bankers has initiated plans for the erection of a bronze memorial to this aged victim of mutinous troops.

Kuwajima Appointed Minister to the Hague

Kazue Kuwajima, director of the Bureau of East Asiatic Affairs of the Tokyo Foreign Office, Jan. 26 was formally appointed Minister to the Netherlands.

Hongkong Foot Causes Army Official's Retirement

"Hongkong foot" Jan. 26 forced Col. Hikosaburo Hata, chief of the Press Section of the War Office, to retire tdemporarily from the political limelight.

Japanese Ministry of Commerce Cuts Wool Imports in Half

Japanese importers seeking to acquire 20,000 bales of wool during the remainder of the season, which ends in May, will only be able to procure half that quantity. This follows a ruling by the Ministry of Commerce and Industry made Jan. 20 regarding a request by the Control Committee of Wool Importers for authorization to buy 20,000 bales.

Japan Cotton Imports Set at 14,000,000 Piculs

Japan's imports of raw cotton for spinning purposes were set Jan. 26 at 14,000,000 piculs, in addition to Chinese cotton used for quilts. The Raw Cotton Dealers' Association, which fixed the quota, acted at the request of the Ministry of Commerce and Industry, which is now seeking to aid the Treasury in strengthening the Exchange Control Law.

Japan Trade Has Adverse Balance in Ten-Day Period

With the value of imported raw cotton reaching Yen 70,757,000, Japan's foreign trade in the second ten-day period of the month resulted in an unfavorable balance of Yen 69,780,000, the Treasury announced Jan. 20. The total value of imports reached Yen 150,-227,000 and of exports, Yen 80,447,000. The adverse balance for the first 20 days of the year on that date stood at Yen 82,147,000.

Hayashi Appointed to House of Peers

In last administrative act, the Hirota Cabinet Jan. 23 unanimously approved the motion that Dr. Raizburo Hayashi, Minister of Justice, be appointed to the House of Peers.

Tokyo Municipal Bureau to Have Offices Abroad

In a search for new markets abroad, the Industry Bureau of the Tokyo Municipality will establish its branches in Singapore and in Manila or Macao next July. The Bureau's branch in Tientsin will be expanded in April with the opening of an industria. museum, exhibiting produc'ts made within the Tokyo municipalityl

Gaimusho Explains Import Control Decree

Popular belief that the Treasury's decree of Jan. 8, providing for the regulation of imports, led to a general rise in the prices of commodities was disputed by a spokesman of the Tokyo Foreign Office Jan. 22. Gaimusho's studies of retail prices, he asserted, have indicated that steel was the only object whose price showed a sharp gain. This rise, he pointed out, paralleled soaring quotations on steel in the world market.

Rise in Price of Steel Materials

Due to a rapid increase of demand in anticipation of higher prices in the future, reflecting the pig iron "famine," the market prices of steel materials have gone up of late, in some cases the high price of Yen 220 a ton being quoted.

Chinese Leaders on the National Revival

BY C. Y. W. MENG 孟長泳

IN THE Special Number (Vol. 34, No. 1) of *Eastern Miscellany*, one of the leading Chinese monthly publications in Shanghai, there appears a number of articles on the national revival of China, written by the civil and military leaders, such as, Sun Fo, President of the Legislative Yuan; General Feng Yu-hsiang, (popularly known as the "Christian General"); General Li Chung-jen, the Kwangsi leader, and the "strong man" of the South-West; Chu Cheng, President of the Judicial Yuan, etc. Although these articles are not official manifestoes, statements, or declarations, they nevertheless give us a good idea of the domestic and foreign policy which the National Government is pursuing—which the Chinese leaders intend to enforce; and lastly, which the coming Third Plenary Session of the Central Executive Committee and the Central Supervisory Committee to be held on Feb. 15 may arrive at.

General Chiang Kai-shek on Economic Reconstruction Movement

We will first refer to the People's Economic Reconstruction Movement, promoted by General Chiang Kai-shek a short time age, and which is in full swing in the country today. His "Eight-Point Program" circular telegram to the nation which he issued sometime in August, 1935, forms the basic principles of the present movement. Wu Ding-chang, Minister of Industry, and concurrently, the Chairman of the standing Committee, in a speech on the People's Economic Reconstruction Movement over the Central Broadcasting Station Nationwide hook-up said *inter alia* that "The New Life Movement provides the spiritual and moral basis for China's renaissance, whereas the People's Economic Reconstruction Movement aims at making the national revival idea more concrete and materialistic. In short, it is designed for the successful consummation of one of Dr. Sun Yat-sen's great Principles—People's livelihood. The new Movement will create a united and conjunctive effort on the part of both the Government and the people in developing China's economic resources. It is the People's Economic Reconstruction Movement Association's task to assist and push the central and local authorities in economic reconstruction planning, leading the nation in various kinds of economic enterprises, cultivate, train and place personnel for reconstruction projects. The study of subsidiary vocations among the industrial workers and the farming populace, and the promotion of special industries and products in various localities also form parts of the Association's mission. Last, but not least, the Association will make it its business to lead the nation in thrift and in consumption of more native products. That is: Welcome foreign tools and machinery for productive purposes, but use only native products in ordinary consumption." In other words, the Generalissimo sees the revival of China through economic reconstruction.

Wang Ching-wei on Sino-Japanese Relations

On board of the German Liner *Potsdam*, on his way to China, Wang Ching-wei, former President of the Executive Yuan, when interviewed on the subject of "basic cooperation" between China and Japan replied:—

1. On the resumption of diplomatic relations through normal channels and not through military representations;
2. On the basis that Chinese rights of novereignty must be respected, and
3. On the return of Manchurian territory to China.

This Chinese statesman was the President of the Executive Yuan for no less than four years. Throughout his administration, he always told the nation "to resist, on one hand; and to negotiate, on the other." Possibly, this is the first time that he openly demanded the "return of Manchuria to China" as the "basic cooperation" between the two countries. Will Wang Ching-wei of 1937 he different from Wang Ching-wei of years ago? Has his trip to Europe convinced him of the advisability of abandoning his former policy of "resisting on one hand, and of negotiating on the other"? Will there be a change in China's Japan policy if he were to be re-instated as the President of the Executive Yuan after the Kuomintang meeting?

Sun Fo on Some "Problems" of the Revival

There are many other ways to save the nation, Sun Fo says; but among them he considers the following "four things" the most important of all:—

1. Restoration of faith in the self-reliance of the people: To this Chinese leader, the rise of the United States of America from a colony to a world power; the rise of Soviet Russia from a backward country to a world leading industrial nation; and the rise of Japan to a world power in a couple of decades, has been entirely due to the self-reliance of the people. "So the first condition for the national revival is to restore faith in self-reliance."

2. Faith in the Three People's Principles: "The day will not be far off, if the Three People's Principles, as enunciated by the late leader Dr. Sun Yat-sen, are fully put into execution," says Dr. Sun.

3. Change of the attitude towards the Government Necessary: The President of the Legislative Yuan points out that in order to free the Nation from difficulties, the augmentation of the national strength and unification of the authorities are very essential; but, he continues, the authorities could only be concentrated in the Central Government; and under the direction of the Government, no one should seek to realize their personal ends "to disturb the policy of the Government." Should the Government commit any mistakes, recourse should only be had by addressing their grievances to the Government in accordance with the process of law—which the Government will be glad to consider.

4. Determination and readiness to make sacrifice: Mr. Sun says that "should such be the determination of the people, there must be one day when the nation will be released from the crisis."

General Feng Yu-hsiang on "Basic Principle" of the Revival

"Amidst the endless aggressions from outside, and urgent demands from within, the many pressing and complicated problems have been concentrated into one problem—the problem of 'salvation and existence,' and such problem has now passed its stage of theoretical discussion to the problem of how to realize the aim," says, *inter alia*, the Christian General. But to him the answer is simple. That is: "We must resort to the policy of resistance to 'liquidate' the foreign invasions which have come to us since Sept. 18, 1931, and to attain the aim of acquiring our freedom and equality of the Nation."

Gen. Feng points out that to live in peace should be the most lofty aim of mankind, to which all people of the world should jointly strive to attain. But no people would tolerate foreign invasions. When there come foreign invasions, the people fight for the emancipation of the nation on one hand, and for the realization of the world peace on the other. "So to resist the invaders who destroy peace should be the 'most urgent and most holy mission' of the 450,000,000 Chinese of today!" says General Feng.

Pointing out that one-eighth of China's territory is now occupied by the invaders, and one-ninth of the Chinese people have become "slaves," General Feng considers that under such appalling situation, the very condition precedent to national existence and development is "to resist." "We have exhausted all our efforts in adopting a tolerant, patient and peaceful policy, but what we have got in exchange is unlimited and rampant invasion of our territories by the enemy . . . . Such repeated aggressions have at last aroused the indignation of our people and the Government, and have caused the nation to unite to fight . . . But in order to carry out our 'most urgent and most holy mission,' it is necessary to place and concentrate all man-power, as well as all resources for our fight to the last . . . The most effective way to effect the emancipation of the nation is, of course, through armed resistance." The Christian General has confidence that the year 1937 will turn out to be a bright period in Chinese history "when China will be saved from extinction," "from being an oppressed nation to a free and equal nation."

General Li Chung-jen on "Positive Resistance"

"It has been five years and half since the occurrence of the national crisis to the Nation . . . During this period, to be brief, one of the painful lessons which we learned is that: The non-resistance policy is the cause of all crises in the Nation . . . At present, we could not but realize that the non-resistance policy is the greatest obstacle to national emancipation . . . For, as a result of non-resistance, one-third of our national territories has been lost; and one-fifth of our people have been 'robbed and dismembered' by the enemies, not to speak of the huge loss to the national prestige and integrity, and to the spirit of the Nation . . . So, unless the non-resistance policy is abandoned, the day will not come to us for the emancipation of the Chinese people and for the revival of the Nation", says General Li, in a lengthy article on "Fight to the Ground and the Revival of the Nation".

Discussing the non-resistance policy, General Li pointed out that the following reasons are usually referred to to justify the policy:—

1.—*Reliance on the international treaties and international justice:* So China appealed to the League of Nations, the Nine-Power Treaty and Anti-War Pact, in the hope that the powers would interfere to protect the integrity of China.

2.—*Impossibility of a small country, such as Japan, to annex such a big country as China:* The Chinese believed that as soon as the invaders acquired some privileges on the frontier lands, they would be satisfied, and Sino-Japanese relations could be readjusted.

3.—*Impossibility to fight against Japan before strengthening the national defence:* The Chinese thought that to fight under such situation is only to invite more humiliations, so they prefer to be patient and peaceful with Japan, and to plan preparations gradually.

4.—*Impossibility to fight with Japan before achieving the national unification:* The Chinese believed that before the suppression of the communists, it is not possible to fight with Japan.

5.—*Imminent outbreak of "second world war" due to sharp conflict of interests between Japan and Russia, Japan and Great Britain, and America:* So the Chinese thought that it would be better to await the outbreak of the world war, and to take advantage of the situation.

Refuting the fallacies of current Chinese opinion, General Li answered straightforwardly that neither has the League any power to settle Sino-Japanese disputes; nor are the Nine-Power Treaty, and Anti-War Pact reliable; nor is there any international justice, nor is there any "limit" to the Japanese invasions of Chinese territories. "To feed the Japanese with territories and other privileges is tantamount to embracing a piece of wood and jumping into the fire, in an attempt to put out the fire; but fire will not be extinguished until all wood is burned up", General Li stated.

Referring to national unification, General Li made a significant statement to the effect that "since Sept. 18, 1931, the political unification of China has already been accomplished; what is not unified is the policy towards Japan." "As to the communist problem, they are only the ominous signs of the economic bankruptcy of the Nation. So long as China is under the iron heels of the Japanese, there is no way to improve the economic welfare of the Chinese people. So long as the economic welfare of the people is not improved, there is no way to eradicate the communist troubles. In order to effect the national unification, materialistically, we have first to start a war of resistance by the whole nation. In order to eradicate the communist trouble thoroughly, we have first to get rid of the Japanese, who have been doing harm to the economic welfare of the Chinese people," says General Li. Regarding China's expectation of assistance from the Powers, General Li expresses his fear that "the world war has not yet broken out, but China is already finished!"

Results of Non-Resistance Policy

General Li discussed some of ill-consequences of the non-resistance policy as follows:—

1.—*To increase the desire of the invaders to invade unceasingly more of the Chinese territories:* Had China put up resistance at the outset, according to General Li, Japan might have ceased or, at least, minimized their gravity of aggression, in view of the heavy cost of the invasions for which they had to pay. Continuing, General Li says that, "formerly, Japan had to employ tanks, bombing and fighting planes in launching their attacks; but now, it requires only the presentation of a piece of paper listing a number of 'demands.' Formerly, it required mobilization of army and air forces; but now it requires only the efforts of the Japanese 'military attaches' and a few Japanese 'rogues'. The secession of Eastern Hopei, the acquisition of six hsiens of Eastern Chahar, and acquisition of many economic rights in North China, etc., were all accomplished by the policy of 'a victory without a war.' So the Japanese general (Doihara) once proudly said that 'without a single shot, the Imperial Empire has acquired another big territory'," General Li says.

2.—*To expedite the imminent break-up of the Chinese-Nation, and the propagation of Chinese traitors:* General Li points out that the Japanese have now employed a policy of "bidding the Chinese to fight against the Chinese" to conquer China. "But the rampancy of the Chinese traitors is entirely due to the Chinese non-resistance policy"; for under such policy, China has to be more obedient to Japan, thus the "flatterers" of the Japanese take chances to maintain their power and position; and, on the contrary, the anti-Japanese elements have been degraded. "Should such state of affairs be permitted to last, the heroes who fight for China today might all be the traitors of China tomorrow. A few years later, we will find that there are so many puppet organs of the Chinese traitors, scattered about the country, that even if we wanted to resist, we could not resist successfully," says the General.

3.—*To degenerate the Chinese national feeling:* Expressing his deepest regret at seeing no more Chinese mass meetings, which had been so evident in the past, to remember May 9 (when Japan presented 21 Demands to China), May 30 (when several Chinese were killed in Shanghai by S.M.C. police), etc., General Li pointed out that the absence of such people's movement since Sept. 18, 1931, is a great loss to the national spirit, and is the result of the suppression of the people's expression of opinion. "Under the Japanese 'mailed fist,' under Japanese sound doctrine of Sino-Japanese 'friendship', and under the Japanese demands for suppression of anti-Japanese thoughts, and through the revision of the text books for the Chinese schools, China's only arm—public opinion—against the invaders is thus completely disarmed," says General Li.

4.—*To destroy the foundation of national defence:* General Li is of the opinion that unless China fights against Japan, and frees herself from the Japanese economic domination, China has no way to realize the preparations of her national defence measures, pointing out, for example, that the rights of operating the coal mines in the major parts of China are now in the hands of the Japanese; that the most fields of iron and coal are found in North China, but now North China is under dismemberment by the Japanese; that the center of the railway communications is also in North China, which is now also under the Japanese control, and that the aviation power in North China is also in the hands of the Japanese. "80,000,000 Chinese have now become the slaves of the Japanese," says General Li.

In General Li's opinion, the deciding factor of war is not so much the military strength, but rather, the "spirit, and determination" of oppressed people to fight. "The military preparations are only of secondary importance." "Only the iron and blood of the Chinese people could stop the Japanese invasons, and could crush the Japanese imperialism into pieces." Pointing out that Japan has only a standing army of 200,000 men, and another 5,000,000 to be mobilized, China has a standing Army of 4,000,000 men, and could mobilize no less than 50,000,000 men of long fighting experiences, and more endurable for hardship than the Japanese soldiers. Besides, by adopting guerilla fighting, Japan has no way to make use of her "quick war" tactics with China. Thirdly, due to present means of communications in the country, it is more favorable to defence rather than to attack. In the opinion of General Li, "Japan is sure to meet its Waterloo at the end."

Chu Cheng on the Tendency of Legislation

Chu Cheng, President of the Judicial Yuan, expressed the opinion that in recent years, the national crisis has been aggravated. Our heart feels painful among other things, he said. "We have been working and striving toward the road of our national revival. So the tendency of modern legislation in China is also towards the same direction." He also discussed at length the revision of China's Criminal Code.

Nanking, Jan. 20, 1937.

Shortage of Rice Supplies Causes Riots in Kwangtung Province

The *Shun Pao* Jan. 26 stated that the 30,000,000 people in the Province of Kwangtung are now facing starvation, as a result of the shortage of rice, which was caused by the increased tariffs on imported rice. The Province of Kwangtung produces a very small amount of rice and is largely dependent upon rice imported from Siam and other places. Riots have now broken out in the districts of Nanhai, Kaomin, Shunteh, Sansui and even the model town, Chungshan, where people started to loot the rice shops, as they cannot afford to purchase what they need.

To meet the acute rice shortage in Kwangtung province, the Hunan guilds end of last week shipped approximately 125,000 bags of rice to Canton and the surrounding cities.

Ministry of Finance to Relieve Rice Shortage in Kwangtung

Dr. H. H. Kung, Minister of Finance, Jan. 23 instructed the Foodstuff Transportation Bureau with office in Shanghai to purchase large quantities of Wuhu rice and to ship them to Kwangtung immediately.

Measures adopted by the Executive Yuan for the relief of the rice famine in Kwangtung included permission for the Kwangtung Provincial Government to purchase a maximum of 300,000 quintals of foreign (imported) rice, on which half of the amount due for Customs Import Duty is to be paid in cash and the other half allowed deferred payment. Previously the request of the Kwangtung Provincial Government to lift the Customs duty on foreign rice imports had been flatly rejected by the Central authorities.

The Ministries of Railways and Communications were ordered jointly to work out a plan for the reduction of transportation charges for rice to Kwangtung. At the same time, the Canton-Hankow Railway was instructed to assign as many trains as possible to facilitate the shipment of Hunan rice to Kwangtung.

Compulsory Labor Enforced to Build Shang Hsin Ho Dykes

Compulsory labor conscription was formally enforced in Nanking Jan. 25 when 1,200 recruits started construction on the 9-kilometer dyke along the banks of the Shang Hsin Ho. With picks and shovels in hand, Mayor Ma Chao-chun, Sung Hsi-shang, director of public works bureau, Cheng Chien-ju, director of the social welfare bureau, Peng Erh-kang, secretary-general of the City Tangpu and other officials broke ground for the new project. Building of the first section of the Shang Hsin Ho dykes will require two months to complete. It is estimated that some 15,000 people will be recruited, each serving five days.

Philippine Goods May Be Restricted Under Bill Submitted to U.S. Congress

The first bill to curb Philippine access to the American market was introduced in the U.S. Congress Jan. 19 by Senator Walsh, Democrat from Massachusetts. The measure provides that, effective Jan. 1, 1937, and for a period of three years thereafter, only 200,000 pairs of shoes produced in the Philippines shall enter the United States duty-free, "provided that no merchandise shall be accorded free entry under this act which is not admitted free under Section 301 of the Tariff Act of 1930."

$6,000,000 Worth of Japanese Goods to Be Dumped in Shanghai

No less than $6,000,000 worth of Japanese goods have been imported here recently, according to well-informed business circles. This large quantity of Japanese goods is being sold under the guise of Chinese native products, the *Ta Kung Pao* of Jan. 22 stated.

Should Teachers Have an Additional Profession?

BY FABIAN K. W. LEW

AMONG those engaged in teaching it is a well-known fact that their teaching activities take up practically all of their time. Therefore, one should insist that they concentrate their entire attention throughout their lives to educational activities alone, on the ground that educational enterprise is an important task and has much to do with the prosperity and well-being of a nation.

This does not mean that a teacher should neglect his or her duties as laid down by the Department of Education. Teachers should take to their classes the utmost in enthusiasm, in order that their pupils may truly benefit. Under no circumstances should the pressure of outside activities be allowed to affect the teacher's work in the classroom. During their leisure they should give at least part of their time to pedagogical developments elsewhere, in order that a sound foundation may be laid for improvements in their methods of teaching and means of discipline. Theoretically, we teachers know that our whole attention should be devoted to education alone, and that an additional profession is inadvisable.

However, as the situation exists in China at present, I am of the opinion that the question of an additional profession is a vital one and amounts in actuality to, "How can we obtain sufficient bread and butter?" Naturally the constant pressure upon teachers who do not have enough to live on has a disturbing effect upon our ability as teachers, and may in some cases result in complete failure of the educational work which we have attempted to do. Therefore, if our educational work is to be accomplished even in part, we must have sufficient to take care of the ordinary needs of daily living. By this, I do not mean that we are entitled to all varieties of luxury, but we should have enough to keep us from actual starvation.

Salaries Not Paid on Time

Some days ago I called on my friend, Mr. Chang, who is a teacher in a primary school in Shanghai. During the course of our conversation he made the following statement: "These days I find it very difficult to keep my head above water financially. Of course that is because our Educational Bureau cannot pay our salary on the date that it is due. In view of this I am anxious to obtain some subsidiary means of livelihood. In fact, if the opportunity presents itself, I shall have no regret at leaving the teaching profession."

At first I felt that my friend's analysis of the situation was too harsh, and that he personally was making a mistake. However, I took into consideration his straitened financial situation in view of the Bureau's failure to pay his salary. Later it occurred to me to wonder why Mr. Chang, formerly such an enthusiastic teacher, should wish to leave the profession. I also sounded out other friends of mine who are teachers and found their attitude much the same as Mr. Chang's. I became convinced that he and they were justified, and that this attitude is general in Chinese educational circles.

Another fact which would turn teachers from their chosen profession into other fields is wide-spread unemployment. It is well-known everywhere that there are more teachers than there are vacancies, and probably the problem of the unemployed teacher is more in need of solution than that of the teacher who is employed, though the salary he receives is insufficient to cover his needs.

As a matter of fact, several weeks ago a very good friend of mine visited me at school. As soon as he sat down I noticed he was the picture of gloom, so I inquired as to its cause and he gave me the followiing answer: "During summer vacation the teaching staff of my school was reorganized and the number of teachers was cut down. I was among those who were discharged. Also most of the summer I was very ill and it was absolutely impossible for me to look for another teaching position. I wrote to my former school-master pointing out the difficulties I was laboring under and the miserable conditions in which my family would have to live, but to no avail. He did not even bother to reply to my letter. Since I have my family to take care of my slender financial resources are being rapidly depleted, and I must find some other means of supporting them and myself. I became conscious that there is nothing sure about employment, and no unemployment relief after we are discharged, so that it is absolutely necessary for us to have some other type of profession on which we can depend in case of necessity. It is only by this means that we can manage to support ourselves both while we are employed as teachers and when we are unemployed."

So I asked my friend what his other profession was and he replied that he had studied to be a doctor, and that he was already engaged in establishing himself in this profession. He stated that he was greatly interested in it and had hopes in time of being sufficiently successful to shoulder all the financial burdens his family laid upon him.

After he left me I pondered over the problem. Although it is impossible to say now whether he will be successful or not in his new profession, it is no doubt true that he is compelled to have some other means of earning a living. This is necessary because being a teacher does not guarantee employment.

In conclusion I wish to say that the inability of our Educational Bureau to pay our salaries on time and the constant threat of unemployment are the principal reasons why we must constantly search for other additional means of earning a living. Obviously if the educational authorities do not devise some means of ending this impossible situation, the entire educational system will be undermined. Because of this we earnestly hope that the educational authorities will attempt to solve these two problems, in order that we teachers may concentrate all our efforts on educating the youth of the land, the future citizens of China.

Comparison of Salaries Between Teachers and Customs Employees

S. T. Dunn wrote to the *North China Daily News* Jan. 21 calling attention to the bad treatment received by the teaching profession. He gave specific figures of salaries received by the teachers of different grades of Schools; compared with those by the staff of the Maritime Customs Service:—

Teaching Staff	*p.m.*	*Customs Staff*	*p.m.*
Primary Schools ..	$ 30.00	Junior Clerk	$ 90.00
High School.....	$ 70.00	Senior Clerk	$200.00
University	$150.00	Commissioner	$500.00

Tsang Chi-fang Wants Peaceful Settlement of Northeastern U. Dispute

Tsang Chi-fang, newly appointed President of the Northeastern University, returned to Peiping from Tientsin Jan. 23 by train. Mr. Tsang stated that he personally favored a peaceful settlement of the present trouble in connection with the taking over of the University. He added that he personally did not favor the adoption of force to take over the University, but hoped that the students would awake to their mistakes and voluntarily desist from further resistance. If they should persist in their obstinacy, he could not but refer the matter to the Ministry of Education for disposal.

The Peiping Students Association, in a telegram to the Ministry of Education Jan. 24, urged that forcible measures be employed for the taking over of the North-eastern University, founded by General Chang Hsueh-liang and which the Government recently decided to convert into a State institution.

Six students of China College, and two students of the National Normal University in Peiping Jan. 8 were arrested by local police on orders from the National Military Council in Nanking.

More than 500 students of the Northeastern University Jan. 22 signed a petition to the Minister of Education, Dr. Wang Shih-cheh, urging him to withdraw the appointment of Tsang Chi-feng as acting chancellor and to reconsider his decision to reorganize the University. Among the signatories are 160 students belonging to the College of Engineering of the University at Sian. These students have also addressed a telegram to Mr. Tsang expressing surprise that he should attempt to take over the University when General Chang Hsueh-liang is "in captivity" in Nanking.

Shensi Students in Shanghai Fail to Receive Remittances

Some 200 Shensi students in Shanghai schools and colleges, whose livelihood depends upon money orders sent from their homes in the tumultuous northwestern province, have been stranded in this city as a result of the insurgent movement now in progress in their home towns. The *China Press* says many of these young men and women had not received a single cent since Dec. 12, the fateful day when Generalissimo Chiang Kai-shek was detained in Sian by mutinous troops.

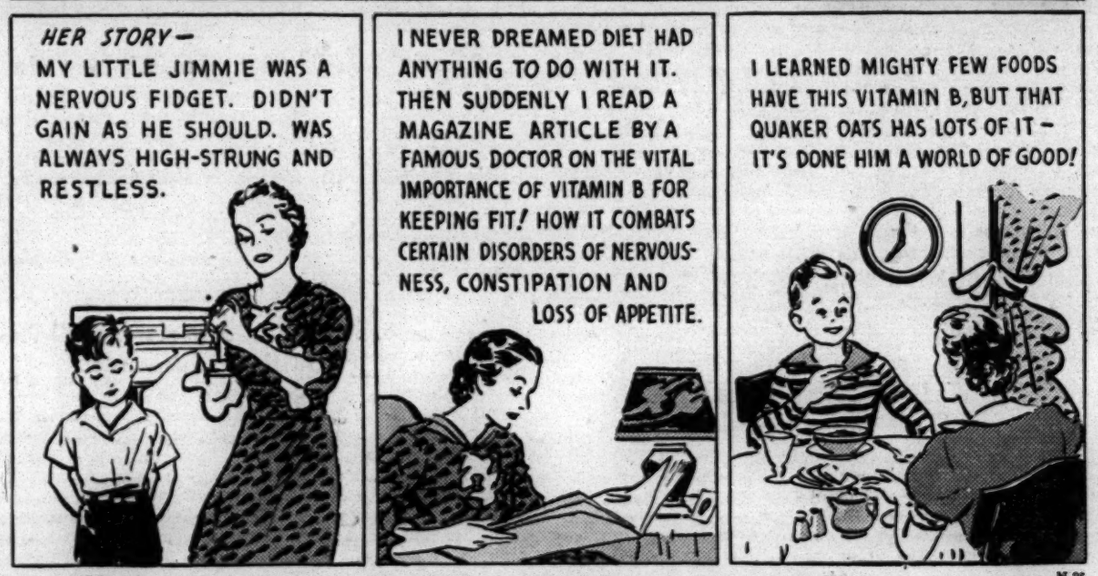
China Prepares for World Education Meet

Preparations are proceeding apace by the Ministry of Education for China to participate in the coming seventh conference of the World Education Association to be held in Tokyo from August second next. The China Education Association, it is understood, has been entrusted by the Ministry to represent China at the conference.

Already a special committee, composed of a group of the nation's leading educationists and headed by Dr. Chang Po-liang, President of the Nankai University, Tientsin, has been appointed to draft and examine proposals to be tabled at the meetings of the conference.

Nanking Opens a Veterinary Training Class

The veterinary training class under the auspices of the Central Agricultural Research Bureau in Nanking opened Jan. 21. Wu Ting-chang, Minister of Industry, presided at a simple opening ceremony.


HER STORY—
MY LITTLE JIMMIE WAS A NERVOUS FIDGET. DIDN'T GAIN AS HE SHOULD. WAS ALWAYS HIGH-STRUNG AND RESTLESS.
I NEVER DREAMED DIET HAD ANYTHING TO DO WITH IT. THEN SUDDENLY I READ A MAGAZINE ARTICLE BY A FAMOUS DOCTOR ON THE VITAL IMPORTANCE OF VITAMIN B FOR KEEPING FIT! HOW IT COMBATS CERTAIN DISORDERS OF NERVOUSNESS, CONSTIPATION AND LOSS OF APPETITE.
I LEARNED MIGHTY FEW FOODS HAVE THIS VITAMIN B, BUT THAT QUAKER OATS HAS LOTS OF IT — IT'S DONE HIM A WORLD OF GOOD!

M-26

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Made from plump Dominion grain.

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QUAKER OATS

Gives you the Vitality to keep you fit

Kung Memorial Library and Soong Memorial Building Completed in Shansi

Two new buildings, the Kung Memorial Library and the Soong Memorial Science Building, have been recently completed at the Oberlin-Shansi Memorial College in Takiu, Ming Hsien, Shansi, which was founded by Dr. H. H. Kung, Minister of Finance, upon his return to China after graduating from Oberlin College in the United States in 1906. The school is an affiliated institution with the American College. In recognition of his services for education Oberlin College conferred upon Dr. Kung the LL.D. degree in 1926.

Dr. Kung served as President of the college from the time of its founding up to four years ago, when he become honorary president because of the pressure of his Government duties.

Construction on the two new buildings was started last spring and they were completed recently. Plans are now being made for the formal dedication of the new structures.

Funds for the two buildings were contributed by Dr. Kung and his family, who have always taken an active interest in the institution.

New Building Completed for Chekiang Daily Newspaper

Setting a milestone in the journalistic field in Chekiang province, the new building of the *Tung Nan Jih Pao*, (Southeast Daily News) was completed at Hangchow last week and will be formally opened on Feb. 1. The new home of the journal, a four-story building with a large theater capable of accommodating 600 people, when inaugurated will become the cultural center of Chekiang. At the inaugural ceremony, it is learned, Chen Kuo-fu, chairman of the Kiangsu provincial government and concurrently chairman of the board of directors of the paper, will officiate.

Seventeen Soviet Officials Plead Guilty to Treason Charges

Seventeen former Government officials, including the Communist propagandist, Karl Radek, and the former Soviet Ambassador to London, Gregory Sokolnikoff, were placed on trial in Moscow Jan. 23 and (according to the *United Press*) appeared to be headed for the firing squad as they pleaded guilty to charges of treason. Defendants, shouting their sins against the Government into microphones and virtually boasting of their guilt, unfolded a story of international intrigue in which Germany, Poland, Japan, China and the United States, among other nations, were involved in the anti-Soviet plotting of the exiled revolutionary, Leon Trotsky.

Features of the day's testimony were :—First, letters from anti-Soviet terrorists were smuggled into the U.S.S.R. in the soles of secret agents' shoes; second, secret instructions were given to kill Josef Stalin; and third, a proposal to trade Sakhalin Island to Japan, enabling Japan to use the oil resources of the Island in the event of a Japanese-American war.

The Government alleged that George Piatakov, former Vice-Commissar for Heavy Industry, received from A. A. Shestov, another defendant, a personal letter from Trotsky instructing him to kill Stalin and his close associates at all costs, strive for the union of all anti-Communist forces within the Soviet Union and engage in sabotage activities. The Government also alleged that Trotsky promised, if he were returned to power in Russia, to assist Germany in conquering the Danubian and Balkan countries. In its lengthy indictment, the Government alleged that, in December, 1935, Trotsky sent a letter to Radek stating that it would be necessary to yield the Amur Maritime Provinces to Japan and yield the Ukraine to Germany. Trotsky also was to have offered no opposition to the seizure of China by Japan, according to the indictment.

The indictment in the case of Pyatakov, Radek, Sokolnikov and fourteen others established, that the so-called 'Reserve Center' of the Trotzkyites, the existence of which was exposed during the investigation case of the United Trotzkyite-Zinovievite Terroristic Center, and which included Pyatakov, Radek, Sokolnikov and Serebryakov, was in reality a parallel Trotzkyite Center which had been organized and was operating under the direct instructions of Trotzky. The Trotzkyite Parallel Center most actively unfolded its activities after the murder of Kirov and the subsequent smash-up of the United Trotzkyite-Zinovievite Center.

It was alleged that Trotzky, Pyatakov, Radek, Sokolnikov, Livshitz and other accused developed wrecking, diversionist, espionage and terroristic activities aimed at the undermining of the economic and military power of the U.S.S.R. On direct instructions from Trotzky and under the immediate guidance of the Trotzkyite Parallel Center, the accused Turok, Knyazov, Rataichak, Shestov, Stroilov, Grashe and Pushin were directly connected with agents of the German and Japanese intelligence organs, systematically carried on espionage for Germany and Japan, committed a number of wrecking and diversionist acts at enterprises of industry and railway transport, particularly enterprises of importance for the defence of the country.

Boguslavsky testified about his connections with Shestov, Norkin and others, who carried out wrecking work in the Kuznetzk Basin and the Kemerovo Combinate, about his active work in the preparation of terroristic acts jointly with Muralov and persons appointed by him against leaders of the Party and Government in the event of the arrival of any of the latter in the Kuznetzk Basin. Boguslavsky further testified that two attempts against Molotov's life were prepared and terroristic acts were also prepared against Kaganovich and the Secretary of the Western Siberian Territorial Committee of the Communist Party, Eikhe.

Comments in Shanghai—and in Moscow

An excellent commentary on the pending trial in Moscow and its relation to China was printed in an editorial in the *Shanghai Evening Post* Jan. 26. The *Post* pointed out that Radek's court testimony followed the pattern of that given so dramatically by the Kameneff-Zinovieff group last year as an immediate prelude to their doom. Of all those who have been accused (and in his case convicted *in absentia*) Trotsky alone stands out unconfessing, unrepentent, and defiant.

In connection with the activities of the Trotsky faction in China, the *Post* commented: "Both Radek and Trotsky have taken a deep interest in China during past periods—but nothing we have ever seen in the slightest degree squares with any such remarkable policies as are now charged against both, with Radek apparently enthusiastic in baring his bosom to the firing-squad whose activities cannot be long delayed, unless this is all a grand farce to end in a fictitious execution.

In connection with the impending trial of the Trotskyite "Parallel Center," Moscow *Izvestia* Jan. 21 commented: "The Trotskyite murderers, upon the instructions of Trotzky-Gestapo, tried to undermine the might of Socialist defense, engaged in espionage, and committed undermining diversionist acts. Deadliest enemies of the Fatherland, enemies of all the people of the U.S.S.R., they engaged in wrecking enterprises of defense and transport, and with the cynical cold-blood of executioners killed the Soviet workers in the Kuznetsk and Donetz Basins. The cursed, corrupt agents of the imperialists restorers of Capitalism, the Trotzkyists covetously trying to get to power—sold themselves, sold their Fatherland to the deadliest enemy of socialism, the most active enemies of our country."

Characterizing Radek, *Izvestia* said: "Radek is a wriggling, hypocritical, mischievous vermin, a venomous Trotskyist viper, who hid behind his flatterjig smile his venomous teeth. During his entire political life, fighting against Lenin, repeatedly beaten, he stuck like a worm to the powerful oak of the Soviet State; he immediately assumed any color in order to weave a net of counter-revolutionary spider-webs, dark underground, to wreck and betray the nation."

Both Radek and Sokolnikoff, implicated Leon Trotsky and his son in the depositions they made before the opening of the trial Jan. 26. Radek is reported to have stated that Trotsky wrote to him in December, 1935, and again at a later date. In the first letter, he is quoted as stating, "It would be necessary to cede to Japan the Maritime Province and the Amur Region, while it would be likewise necessary to give the Ukraine to Germany and not to opose seizure by the Reich of the Danubian and Balkan countries. Also, Japan must be given a free hand in taking over China."

Trotsky, now in Mexico City commented: "It is a lying frame-up. Radek is a man who could never keep his mouth shut, and, if I had been guilty of any indiscretion, I should never have communicated it to him."

Soviet Journalist Assassinated in Paris

Dimitri Navashin, prominent Soviet journalist and economist, was murdered in Paris Jan. 20 in the Bois de Boulogne by an unknown assassin, who succeeded in making good his escape. According to *Le Temps*, Navashin was an intimate friend of Piatakov and Sokolnikov, who together with other fifteen alleged Trotzkyists are now being tried in Moscow. The paper added that Navashin was extremely well informed on details of the Moscow Trial and that his assassination was probably due to political reasons. Suspicion of foul play was strong from the moment Navashin's dead body was found.

Japanese Steamer "Siberia Maru" Released—Sailings Suspended

After a 57-hour detention at the hands of Soviet authorities, the Tsuruga-Vladivostok ferry, *Siberia Maru*, was permitted to sail from the Siberian port at 5 p.m. Jan. 22, The vessel proceeded to Seishin, Korea, by way of Rashin. The Foreign Minister, Hachiro Arita, the previous day cabled instructions to file a vigorous protest with the Soviet authorities against the action taken by the Vladivostok officials, to Mamoru Shigemitsu in Moscow.

With the s.s. *Siberia Maru* safety in port after a 57-hour detention in Vladivostok, the Kita Nippon Steamship Company Jan. 26 announced the suspension of service between Tsuruga and the Soviet city.

Japanese Re-Arrested in Vladivostok

The Tokyo Foreign office Jan. 22 instructed Ambassador Shigemitsu to file a protest against the re-arrest of Daiji Takagi, manager of the Vladivostok office of the Japanese Merchant Marine Union, by the Soviet authorities on Jan. 17. It was the second arrest for Mr. Takagi in six weeks. He was seized by G.P.U. agents on Dec. 4, when he visited Government offices to have his passport vised. Following vigorous protests in Moscow and Vladivostok, Mr. Takagi, who was charged by the Soviet authorities with military espionage, was released on Jan. 7.

Health Administration to Be Established in Sikorg Province

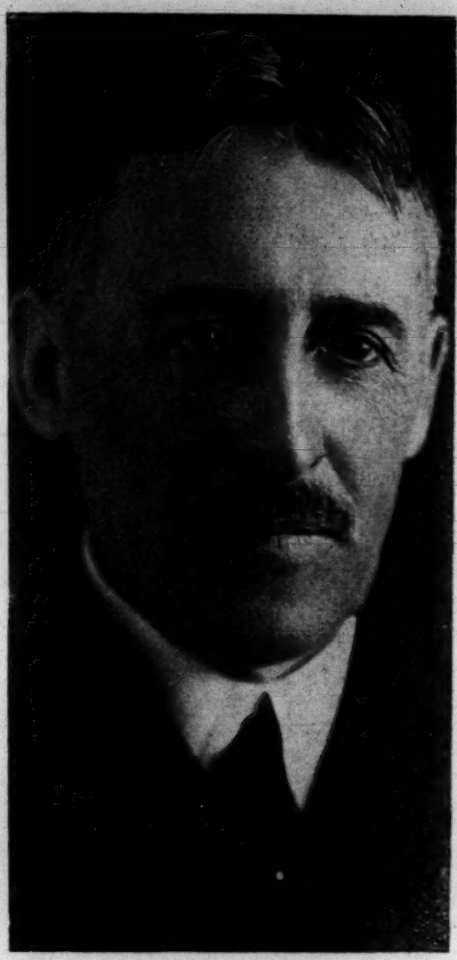
A provincial health administration is to be established in Kangting, capital of Sikong province, by the National Health Administration. General plans for the establishment of the administration have been approved by the Executive Yuan and the National Health Administration authorities are choosing competent men to be sent to the forontier province to undertake the pioneering work. When established, the administration will be responsible for the promotion of modern medicine in the province, including clinical treatment, epidemic prevention and suppression, the promotion of child, labor and public health as well as mid-wifery and the training of medical personnel.

Amoy Boatman Sentenced to Death for Murder of U.S. Seaman

Convicted of the crime of drowning U.S. seaman Hagen on Dec. 6, 1936, Li Tien, a boatman was sentenced to death by the District Court of Amoy Jan. 26. His son, Li Kun, was given 10 years imprisonment. The sentence will be appealed to the Fukien High Court. The deceased was a seaman aboard the U.S.S. *Tulsa*, and was found on the beach at Kulangsu on Dec. 7 last. He was alleged to have been pushed into the river during a dispute with Chinese boatmen. Hagen was 25 years of age and a native of California, U.S.A.

Simpson's Book Too Popular—Widely Pirated

The *Shanghai Evening Post* Jan. 22 drew attention to the fact that photostatic copies of Colonel Henry L. Stimson's "The Far Eastern Crisis" are still available in Chinese bookstores in Shanghai despite a ban by the City Government of Greater Shanghai against piracy of the copyright of the ex-Secretary of State under Herbert Hoover's administration. They are priced at $2.90 per copy, as compared to $14 for the original editions. Reproduced almost in complete detail, the photostatic copies do not state the name of the firm which pirated the copyright. Separate folders available at the bookstores, however, indicated that the reproduction is done by the "Chekiang Cultural Research Institute." The address is not given although it is believed to be situated in Hangchow, as a book store in the Chekiang provincial capital is listed as the sole distributor. At a book store, in Yu Yuen Road, copies of the book are carefully kept in a locked drawer in a room above the main showroom. Printed folders announcing the book and setting forth the price are prominently displayed around the store. Upon request of customers, the shop assistant goes upstairs and fetches the volumes.



Col. Henry L. Stimson

A booklet distributed by said store reveals that a long list of imported text-books, especially the highly priced ones on technical subjects, was being photostatically reprinted and sold in this part of the country. Four firms, the booklet revealed, have been doing a lucrative business in pirating the copyrights. In order to avoid cut-throat competition, they have organized a joint business office at West Gate, with a branch office on Yu Yuen Road and another in Chengtu.

"Disappointed Again"

Under the above heading the *China Critic* Jan. 14 commented :—"In a previous issue we called the attention of the national government to recognize the merits of the works of Colonel Stimson whose book, the 'Far Eastern Crisis,' has appeared, so far as we have seen, in at least three Chinese translations from different publishers. We requested the Nanking authorities to recognize the profound appreciation of the Chinese people of one of the greatest statesmen the world has ever produced. While a foreign government's decoration may not be so highly prized by such a great man as Mr. Stimson, it is nevertheless a courtesy which we can ill-afford to neglect. Although we are disappointed again in not finding Mr. Stimson's name on the New Year Honor roll, we do sincerely hope that the national government will take note of his contribution on the next occasion on the Double Tenth. An official recognition of his work, in our opinion, would not only be a commendable gesture to Mr. Stimson, but it would also express for the Chinese public a gratitude to this great spokesman of justice and humanity which has found no adequate outlet of expression save in laudable editorials and highly approbational reviews."

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Inspector General Maze Reports Serious Recrudescence of Organized Smuggling

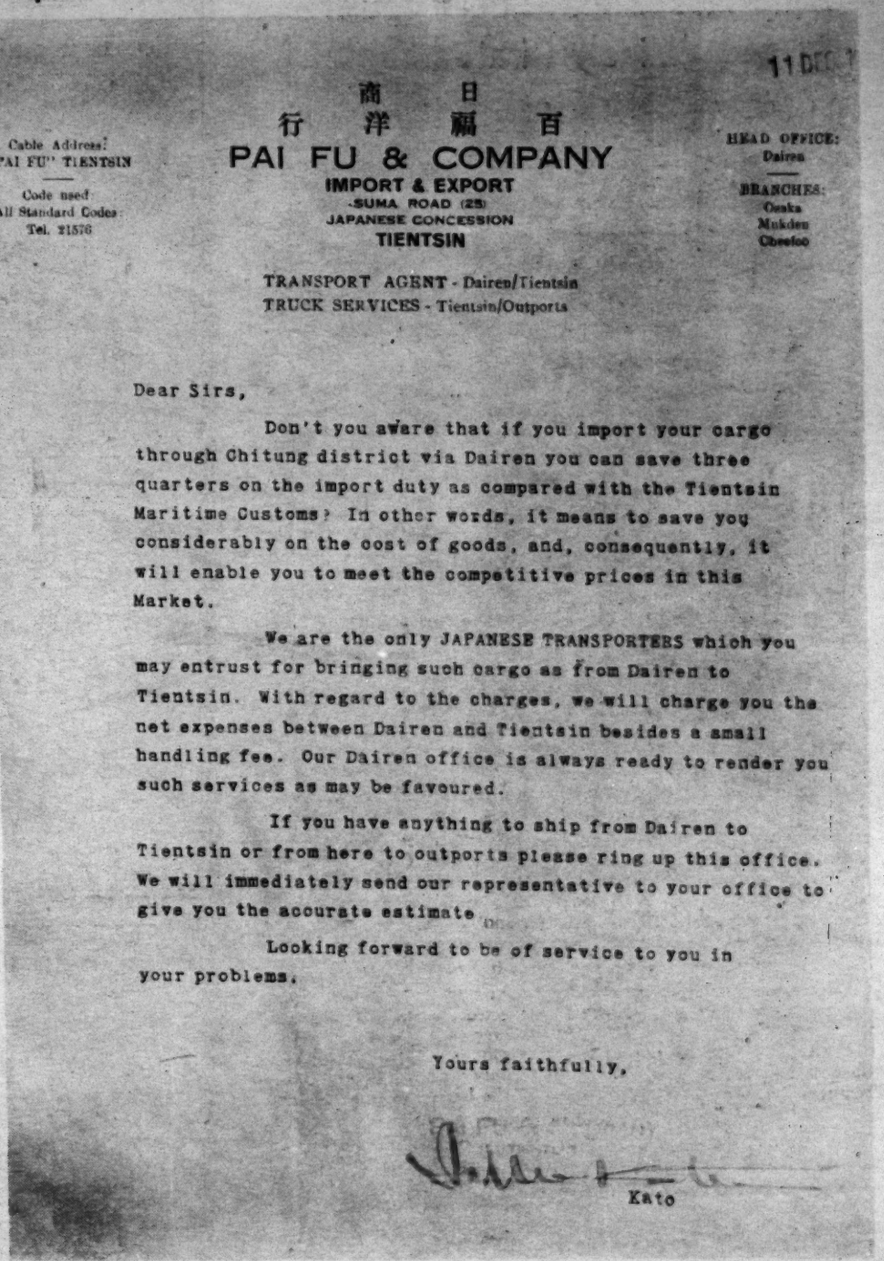
In a memorandum presented to the Government Jan. 25, Sir Frederick Maze, Inspector General of Customs, reported a serious recrudescence of organized smuggling in North Chkina.

In the East Hopei area or so-called "demilitarized zone," Customs preventive officers continue, he stated, to be debarred from exercising normal control, and preventive measures there and elsewhere in the North to a large extent remain ineffective. As a result an increased volume of illicit cargo entering the above district from abroad *en route* to Tientsin has greatly augmented the huge stocks of smuggled goods already lying in the latter port and awaiting favorable opportunities for distribution to the interior. It is estimated that the duty leviable but not liquidated on such cargo during the year 1936 aggregated altogether about $50,000,000. The revenue collections of Chinwangtao and Tientsin (pledged for the service of the foreign indemnities and loans secured on the Customs) have progressively declined of late and are some 30% lower than they were a few years ago before smuggling became rampant; and the revenue at other ports in the North, *e.g.*, Tsingtao, has also suffered as a result of restrictions placed on Customs preventive activities. Kerosene oil figures prominently among the illicit goods pouring into North China; and there is evidence that narcotics are also being smuggled in increasing quantities, Sir Frederick's report concludes.

Big Smuggling Organization Found in Tientsin

The *Sin Wen Pao* says Japanese ronin have organized a big smuggling organization in Tientsin. This organization will promote the smuggling business in North China.

After four months of comparative quiet on the smuggling front in North China there has been a recrudescence of the illicit activities since early December last, information from official sources reveals. For the two weeks from Dec. 28 last to Jan. 10, a total of 3,048 bags of artificial silk yarn, 32,590 bags of sugar, 19,984 cases of kerosene, 6.753 packages of piecegoods, 84 bags of cigarette paper, and 24,860 packages of sundry articles were smuggled into Tientsin through the East Hopei area. These figures for the fortnight, it was pointed out, were considerably higher than those for either one of the previous four months, August, September, October and November.



11 DEC

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行洋福百

Cable Address:
PAI FU" TIENTSIN

Code used:
All Standard Codes
Tel. 21576

PAI FU & COMPANY
IMPORT & EXPORT
-SUMA ROAD (25)
JAPANESE CONCESSION
TIENTSIN

HEAD OFFICE:
Dairen

BRANCHES:
Osaka
Mukden
Chefoo

TRANSPORT AGENT - Dairen/Tientsin
TRUCK SERVICES - Tientsin/Outports

Dear Sirs,

Don't you aware that if you import your cargo through Chitung district via Dairen you can save three quarters on the import duty as compared with the Tientsin Maritime Customs? In other words, it means to save you considerably on the cost of goods, and, consequently, it will enable you to meet the competitive prices in this Market.

We are the only JAPANESE TRANSPORTERS which you may entrust for bringing such cargo as from Dairen to Tientsin. With regard to the charges, we will charge you the net expenses between Dairen and Tientsin besides a small handling fee. Our Dairen office is always ready to render you such services as may be favoured.

If you have anything to ship from Dairen to Tientsin or from here to outports please ring up this office. We will immediately send our representative to your office to give you the accurate estimate.

Looking forward to be of service to you in your problems.

Yours faithfully,

Kato

The above is a photographic reproduction of a circular letter sent by a Japanese company engaged in the smuggling business, to an American company in Tientsin. The writer of the letter, a Mr. Kato, offers to import merchandise into North China at one-fourth the regular import duty by shipment via Dairen and the East Hopei "autonomous" zone controlled by the Japanese army.

Catholic Action Organization to Fight Communism in China

A movement is on foot to hold an anti-Communistic movement by the Catholics in China after the meeting of the International Eucharistic Congress in Manila. A Catholic Action organization similar to those formed by Catholics all over the world has been formed in China and will act as the nucleus for the movement, several local Catholics stated in answer to questions.

With some 3,000,000 Catholics in China, it is expected that this movement will be of great importance in this country, especially as it will work in with the National Government's anti-Communist program. Bishop Paul Yu Pin, Vicar Apostolic of Nanking, has been selected to act as General Director of Catholic Action in China.

Catholic Pilgrims Pass Through Shanghai Enroute to Eucharistic Congress

Two hundred and fifteen pilgrims to the Thirty-Third World Eucharistic Congress to be held in Manila from February 3 to February 9, passed through Shanghai Jan. 26 on the s.s. *Empress of Japan*, which flew the Eucharistic flag.

1937 Designated as "Lost Territory Recovery Year"

Recalling that Jan. 28 will mark the fifth anniversary of the outbreak of hostilities in Shanghai between the Japanese Naval Landing Party and the Chinese Nineteenth Route Army, the *National Calamity Newspaper*, published by the Federation of National Salvation Societies of All Walks of Life has designated 1937 as the "year for the recovery of lost territories." The newspaper, sold at one cent a copy, contains violent anti-Japanese propaganda, the local Japanese newspapers stated.

Demonstration Staged by Dismissed Workers of Japanese Cotton Factories

On Jan. 25 more than two hundred workers, who had been dismissed by the Toyoda Japanese Cotton Mill in the Western district of Shanghai, as a result of their strike movement, gathered together on Chungshan Road in the Chinese City, where they staged a demonstration, clamoring for opposition against the dismissal and for the demand of resumption of their work.

Chinese Banks Advance Credits Totalling $108,000,000

According to the Economic Research Department of the Central Bank of China, Chinese banks in Shanghai extended credits to the amount of $108,964,000 for various enterprises in the past year. The following list shows the enterprises affected and the amounts advanced:

Kiangsu-Chekiang Silk Credit Loan	$30,000,000
Chekiang-Kiangsi Railway Loan	10,000,000
Nanking-Kiangsi Railway Loan	14,000,000
Hunan Rice Transportation Loan	10,000,000
Telegraph Bonds	6,000,000
Nanking-Shanghai-Hangchow Railway Loan	2,000,000
Chekiang Silk Control Loan	5,000,000
Ministry of Railways Loan	3,000,000
Nanking City Government Loan	2,000,000
Anhwei rural credits	1,000,000
Kiangsi Granary Building Loan	1,000,000
Hunan Provincial Government Loan	1,400,000
Kwangtung Provincial Government Loan	8,000,000
Kiangsi Provincial Government Loan	1,100,000
Chekiang Fishing Industry Loan	2,000,000
Fishing Syndicate Loan	1,000,000
Shantung Cotton Cultivation Loan	931,000
Shantung Soya Bean Cultivation Loan	200,000
Improvement of Cocoons	600,000
Kiangsu Highway Building Loan	33,000
Chekiang-Kiangsi Railway Loan for Alteration of rails and others	2,800,000

San Peh and Hung An Navigation Companies to Issue Debentures

The San Peh and Hung An Steam Navigation Companies have petitioned the Central Government, asking for permission to issue debentures amounting to $3,500,000. The matter was referred to the Ministries of Finance, Industry and Communications for examination. The San Peh Steam Navigation Company has 21 ships, the Hung An Company 8.

Chekiang Provincial Chairman Orders Dismissal of Superfluous Officials

In view of the huge deficit, amounting to over $70,000,000, facing the Chekiang Provincial Government, Dr. Chu Chia-hua, the Provincial Chairman, has issued a circular order instructing the various government organs to dismiss all superfluous officials from office, cut down administrative expenses and postpone the carrying out of enterprises which are not of an urgent nature.

Increased Collections of Salt Revenue

Preliminary figures issued by the Chief Inspectorate of Salt Revenue show that the total revenue collected by the Inspectorate during 1936 amounted to $205,433,000—representing an increase of $21,223,900 over the figures issued for the previous year. The collection of salt revenue under the administration of the Inspectorate has shown steady increases in the last seven years.

Kwangsi to Open Farmers Bank

A Farmers Bank, capitalized at $3,000,000, will be inaugurated on Feb. 1 by the Kwangsi provincial authorities as a step to relieve the plight of the agricultural communities.

C.N.A.C. Buys More Planes from U.S., But Strike Delays Shipment

Orders have been placed by the China National Aviation Corporation for four additional airplanes from America, it was learned from the company end of last week. However, due to the waterfront strike in the United States, there will be a delay in shipment.

U.S. Air Speed Record Again Broken by Howard Hughes

Howard Hughes, millionaire oil industrialist, motion-picture producer and aviation enthusiast, Jan. 19 smashed the transcontinental aerial speed record for the second time in less than a year. He left Burbank, Cal., at 5.14 a.m. Eastern Standard Time, and was officially timed as arriving in Newark, N. J. at 12.42 p.m., Eastern Standard Time. The flight was made without a stop—2,490 miles in seven hours, 28 minutes and 27 seconds, thereby averaging 332 miles per hour.

U.S.-Hongkong Airmail Service Agreement Signed

The Hongkong Government Jan. 20 signed an agreement with Pan American Airways for direct mail service to the United States via the Philippines.

Kwangtung Nets $27,624,446 Customs Revenue

Central News says that as a result of the adoption of strict anti-smuggling measures, the revenue of the Kwangtung Maritime Customs has registered a considerable increase, the figure for December, 1936, being $27,624,446. This represents the duty collected in five stations: Sheklung, Taiping, Yungki, Szekiu and Chentsun.

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AND KEEP YOU WELL.

United States Experiences Worst Flood Disaster in Its History

Four hundred thousand persons have been rendered homeless as a result of the worst flood disaster in the history of the United States. Ninety persons were known to be dead and 100 others missing up Jan. 26.

Damage estimated at $270,000,000 has been done by the floods, which were at first confined to the Ohio Valley. At Louisville, Kentucky, two-thirds of the population of 300,000 was rendered homeless, and drinking water was sold for $1 a bucket. At night the town was dark, as the electricity supply had failed. Disease added to the terror and suffering of the homeless men, women and children. Typhoid, diphtheria, dysentery and influenza were reported from various sections of the flooded area.

In Chicago, amateur radio operators heard a radio broadcast from Frankfort, Ky., reporting that 45 convicts attempted to flee in a raft from the state penitentiary, but that guards had killed twelve of the group and captured the remainder. The Ohio River at Evansville, Ind., crossed the flood wall and entered the business district of the city. In Cincinnati, a gasoline explosion late at night started a fire in the North Bend district, burning down the storage plant of the Gulf Refining Co., and six houses.

Disease in the meantime threatens to overshadow both fire and water as the chief menace threatening the 650,000 refugees of the eleven states visited by the flood disaster. The nation's greatest peace-time army began operations Jan. 25 along the 1,800 mile-flood front, fighting suffering, death and terror among the distressed people, while rivers in the devastated areas continued to rise. Army engineers gave warning early that a "super flood" was en route southward to test the $1,000,000,000 levee system installed in the lower Mississippi Valley.

President Roosevelt Declares One-Third of American Nation Is Ill Clad

In the course of his second inaugural address delivered in Washington, Jan. 20, President Roosevelt said:

"A challenge to American Democracy is that tens of millions of citizens who, at this very moment, are denied a greater part of what were the very lowest standards to-day, called for the necessities of life. The test of our progress, is not whether we add more to the abundance of those who have much. It is whether we provide enough for those having too little." He saw, he said, millions of Americans denied opportunities of education and recreation and other millions lacking the means to buy the products of farm and factory, their poverty denying work and productiveness to those who would supply their needs. He declared one-third of the nation was ill-clad. The President assured the people, however, that he saw no reason for despair.

A clear reception of the Roosevelt address was heard in Shanghai by radio, the largest local group assembling at the American Club.

Total Permanent U.S. Unemployment Will Be 5,000,000, Says Mr. Hopkins of W.P.A.

A total permanent unemployment figure of 5,000,000, even when prosperity was restored, was predicted Jan. 25 by Harry Hopkins, the Works Public Administrator, in a statement before the appropriations sub-committee of the House of Representatives. The year 1937, he said, "holds promise of 6,500,000 to 7,000,000 unemployed."

Roosevelt Wants More Reciprocal Trade Pacts

In a letter to Robert L. Doughton, Chairman of the House of Representatives Ways and Means Committee, President Roosevelt Jan. 21 urged Congress to continue the authority granted him to make reciprocal trade pacts, as a means of aiding the achievement of "durable peace" throughout the world. Peace can be achieved, he said, through the reduction of trade barriers and the creating of economic prosperity in all countries.

Chinese Seamen Alleged to Be Held as Prisoners on Dollar Line Boats in New York

Charges that 350 Chinese seamen are virtually imprisoned on board strike-bound ships of the Dollar Line were brought before the Federal Shipping Commissioner, in New York Jan. 22.

Senator Pittman Satisfied with U.S. Silver Program

Senator Key Pittman from Nevada, leader of the Senate silver bloc, told the *United Press* that he was satisfied with the progress of the U.S. silver purchase program. Referring to the effect of the program on China, the Senator asserted, "The Chinese Government is in a good financial position, with improved foreign balances as a result of increasing exports. China probably does not need to sell further silver to the United States."

His intention to submit to Cordell Hull, Secretary of State, a new American Neutrality Bill, was announced Jan. 22 to the press by Senator Pittman. The new bill will be a permanent one and will replace the present Neutrality Act, expiring Feb. 28.

Overtures Made for Anglo-U.S. Trade Agreement by Walter Runciman

Walter Runciman, President of the Board of Trade in the British Government, announced at a press conference at the British Embassy in Washington Jan. 25 that President Roosevelt and he were close to an agreement, in principle on the basis for negotiation of a reciprocal trade agreement between Great Britain and the United States.

Ferry Boat in West River Sinks—Two Hundred Passengers Drowned

The Kongmoon-bound ferry boat *Min Chu* from Canton, while reaching the Kan-chu rapids on the West River about 30 miles south of Canton, early Jan. 20, struck reefs and sank. At least 200 passengers are known to have been drowned or are missing. Only about 100 persons were rescued. A thorough investigation into the tragedy has been started by the navigation bureau and harbor affairs bureau of the Kwangtung provincial government. The accident occurred during a dense fog. The boat was equipped with modern safety devices, and under normal conditions could have withstood the damage caused by colliding with a submerged rock.

Seventy Drowned in Hangchow as Ferry Founders in Mid-stream

Between 60 and 70 workmen were drowned during the night of Jan. 24 when the launch in which they were travelling from the south bank to the north capsized in mid-stream near the Chientang River bridge.

Nanking Sends Expert to Investigate Canton-Kowloon Train Mishap

Commissioned by the Ministry of Railways, Kenneth Cantlie, consulting expert of the Ministry, is making a thorough investigation into the recent train fire on the Canton-Kowloon railway. Smuggling was the indirect cause of the fire, the *Chung Shan Jih Pao* commented. Railroad officials on board were taken to task by the paper for failure to fight the fire, and it asked why a basket of celluloid was permitted to be placed in the toilet room of the third-class coach.

Chinghai District Threatened with Famine

Kunghu, one of the most prosperous districts in Chinghai, known as the "Paradise" of immigrants from Szechwan and Kansu, is threatened by famine on account of the scanty harvest last fall.

British Steamer "Hsin Peking" Strikes Rock Near Ningpo—No One Injured

The B. & S. coastal steamer *Hsin Peking*, en route Shanghai to Ningpo, struck Nemesis Rock at the mouth of the Ningpo River near Chinghai on the morning of Jan. 21 during rough weather in and in fog. All passengers were safely got ashore, and the vessel has since been refloated and is now in Ningpo.

Movements and Appointments in Diplomatic and Official Circles

Dr. Wellington Koo, Chinese Ambassador to France, who will preside over the forthcoming 96th Session of the League Council, arrived in Geneva from Paris Jan. 20.

General Ku Chu-tung, Director of the Sian Provisional Headquarters of the President of the Military Affairs Commission, proceeded to Tungwan, eastern Shensi, by plane this week, to inspect the defences there.

Gen. Chen Yi, chairman of the Fukien provincial government, has decided to go to Nanking about Feb. 4 to report to the Central authorities on current conditions of Fukien as well as to attend the Third Plenary Session of the Fifth C.E.C., to be held on Feb. 15.

Gen. Li Chung-jen, Pacification Commissioner for Kwangsi, is expected in Canton on Feb. 7 from Kweilin, enroute to Nanking to attend the forthcoming third plenary session of the C.E.C. on February 15.

In a letter to relatives and friends in Foochow, Lin Sen, chairman of the National Government, urged them not to hold any celebration on the occasion of his 70th birthday next month.

Dr. H. H. Kung, Minister of Finance, Jan. 21 summoned the members of the "cabinet" to discuss the present political situation, following which he was host at a tea reception in honor of Wang Ching-wei, chairman of the Central Political Council.

Tang Shao-yi, the veteran statesman and member of the Central Supervisory Committee, visited Ma Hsiang-po, the 98-year-old member of the National Government Committee, and Wang Ching-wei, Chairman of the Central Political Committee, in Nanking Jan. 19.

Admiral Shen Hung-lieh, Mayor of Tsingtao, arrived in Shanghai from the Shantung port city, via Nanking, by train Jan. 20. He called on T. V. Soong, and other officials in Shanghai. In Nanking to called on Wang Ching-wei. Admiral Shen later departed for Hangchow.

Liu Wei-chih, Reconstruction Commissioner of Kwangtung, was relieved of his concurrent post as Political Vice-Minister of Industries by the Executive Yuan Jan. 19.

Gen. Chang Chun, Minister of Foreign Affairs, and Madame Chang entertained members of the diplomatic corps and ranking Government officials at a ball at the new International Club in Nanking Jan. 25.

Hupeh's New Government Gets Under Way

BY THE REVIEW'S HANKOW CORRESPONDENT

GOVERNOR Huang Shao-hsiung and his new colleagues in the Hupeh provincial government have been in office one week, having been duly inducted into office on the 16th of January at Wuchang. Besides the new governor there were several new commissioners who assumed office in Hupeh for the first time, Meng Kwang-peng (Civil Affairs), Wu Ting-fang (Reconstruction), Chow Tien-fang (Education), Lu Chu (Secretary-General), Yang Kwei-yi, and Fan Hsi-chi.

General Ho Chen-chun Entertains the New Governor

General Ho Chen-chun entertained the new officials to luncheon on the first Sunday after the installation ceremonies, the place being the Bankers' Association building, Hankow. There are many new problems facing the new government, but with the brighter business outlook and the fine prospects of a good crop next summer after the heavy snowfall this winter, the future takes on a rosier color.

New Educational Commissioner Maps Out His New Policies

The newly elected Commissioner of Education for Hupeh, Mr. Chow Tien-fang, developed his new educational policy for Hupeh in five points.

These include: (1) Quantitative extension of primary education, (2) secondary education's qualitative improvement, (3) promotion of free popular education, (4) promotion of vocational education, (5) promotion of proportionate physical education.

Local German Returns to Hankow from Sianfu

R. Walsemann of the Hankow "Defag" (German Dyes) returned to Hankow from Sianfu last Wednesday, having evacuated with the party of seventy five engineered by Captain Ronald Scot of the British Legation, Peiping. He claims that many wild rumors reported in the daily press of Hankow and Shanghai had no basis in reality. Conditions had not been very bad, but the possibility of untoward incidents in the event of General Yang Hu-cheng's men linking up definitely with the Communists in Shensi had led to the plan of evacuation as being the one most compatible with common sense. The evacuation by motor trucks was carried out without much delay when once permission had been secured for leaving Sianfu. The party arrived in Tungkuan at 7 p.m. about seven and a half hours after they had pulled out of the Shensi capital. Most of the refugees left by train either for Peiping or for Shanghai. Mr. Walsemann was the only one who came to Hankow.

Wuhan Rather Uneasy Regarding the Red Situation in Shensi

One of the dailies in Hankow lights into General Yang Hu-cheng in the following vein: "Strangely enough, there are certain military commanders who, instead of helping to do away with the maintenance of personal or regional troops, are still trying to prolong the undesirable practice, as is evidenced by the demands that are reported to have been submitted to the Central Government by General Yang Hu-cheng. In demanding that a sort of autonomous state be created in Shensi and Kansu and that the troops of those two provinces be exempted from the control of the Government, Yang has proved himself to be even worse than the old militarists. The Central authorities have no choice but to reject his demands. No matter whether the Northwest problem is solved peacefully or by force, as we have said above, the Government must do its best to bring about the complete elimination of personal armies."

Low Water Handicaps Freight Transportation Along Yangtze

There has been a 45% increase in freight rates on the Yangtze, due to the low water level at the various ports. Minus readings have been recorded at Hankow and Ichang. It is impossible for ships heavily loaded to pass about Kiukiang. As a result much freight is lying in the various godowns along the river, awaiting higher water.

Dike Repairs to Cost $800,000

Inspectors of the Kianghan Engineering Bureau have returned to Hankow with estimates for this year's expenditures for dike repairs. The straggering sum of $800,000 will be needed for repairs only. This does not include new dikes. Should the report be accepted work will begin soon after Chinese New Year.

Snow Welcomed by Farmers

The heavy fall of snow last week may have caused much suffering among the indigent city dwellers, but farmers and far-sighted business men hailed the event with joy. The drought in several Central China areas last summer and autumn has been having serious consequences. Famine or near famine conditions still prevail in huge sections of western and southern Honan province and in part of northwestern Hupeh.

It is little wonder that the farmers look upon snow as restoring the proper moisture to their fertile fields. The outlook for the new year is good, now that the early summer crop is almost assured.

Hankow, Jan. 25, 1937.

Sleep, For The Sleepless,

How Dr. Williams' Pink Pills Help To Overcome Insomnia.

Insomnia is a symptom indicating a run down condition of the nerves. It may be due to physical causes, or mental, as in the case of excessive worry over financial matters, health or business troubles. If the condition is allowed to persist a general breakdown in health must result.

Drugs and other sedatives should be avoided for they bring only temporary relief and do not correct the cause.

The nerves depend for their nourishment on the blood and only by keeping the blood pure, rich and plentiful can strong nerves be built up.

Dr. Williams' Pink Pills create such blood, rich in iron, in a form that is readily assimilated by the blood. Build up your blood with this proven tonic—it has a fifty year old reputation to recommend it—and your whole system becomes invigorated.

Insomnia is but one of many ailments resulting from impoverished blood, for which Dr. Williams' Pink Pills are helpful. In correcting rheumatism, neuralgia, lumbago, nervous troubles, digestive weakness, headaches, these pills have met with unqualified success. They are equally good for men and women. Obtainable at all chemists.

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Chinese Arrested in Tientsin for Complicity in Chengchow Case

Two Chinese connected with the Custody Committee of the projected Tsangchow-Shihchiachwang Railway were arrested in Tientsin Jan. 23 for suspected complicity in the Secret Organ case in Chengchow.

Shansi to Start Movement for Elimination of "Traitors"

In an attempt to "eliminate all the traitors," the Shansi Provincial Government has decided to inaugurate a movement during the Chinese New Year holidays.

The large numbers of "traitors" (says the *Shun Pao*) recruited in Tientsin by Chen Kuo-shuan have been organized into four groups. The first group, under the direct command of Wang Hu-chen, in responsible for special work, including the disruption of communications along the Peiping-Hankow Railway. The second group, commanded by Liu Tze-chin, will work secretly along the Tientsin-Pukow Railway. The third group, commanded by Hsu Kuen, will be responsible for secret activities in the suburb of Peiping, while the fourth group, commanded by Chu Tze-chuan and Hsieh Lung-kuo, will undertake secret activities in the suburbs of Tientsin.

The Chinese Foreign Office Jan. 25 lodged a formal protest with Japan against the alleged activities of Japanese secret service agents in Chengchow, Honan.

The *Shun Pao* Jan. 20 stated that the irregulars, enlisted by Chen Kuo-sui in Tientsin under the support of the Luantung Regime, have received instructions to take action simultaneously with the re-organization of the Eastern Hopei Regime next month.

"The Outbreak of Another Civil War Will Mean the Fall of North China," Says Lih Pao

In a leading editorial Jan. 21 the *Lih Pao* pointed out that the outbreak of another war in China will mean the immediate fall of North China into the hands of the Japanese. "In order to preserve their control in Japan, the Japanese militarists and their tool, the Hirota Cabinet, will resort to their only method to appease the feeling of the Japanese mass, that is to renew their aggression in China."

East Hopei Regime to Be Reorganized on Feb. 5

According to the *Lih Pao*, the east Hopei regime will be reorganized on Feb. 5 into the Anti-Communist Government of North China. Yin Ju-keng will be appointed chairman of the government, Wang Hsia-tsai as director of foreign affairs, and Shih Chung-mei a secretary-general.

Japanese Planes Continue to Fly Over Tsingtao Despite Protests

Despite repeated protests by the Ministry of Foreign Affairs, Japanese planes continue to fly over Chinese territory without official permission.

A Japanese army plane (No. 104) landed in Tsingtao Jan. 21 from Tsinan with a Japanese military attache aboard.

A Japanese plane flew over Tientsin Jan. 21. It was reported that a Japanese plane also flew over Peiping on the same date.

More Japanese Cotton Mills for Tientsin

The new Japanese cotton mill under construction in Tientsin will be completed by April. According to the original plan, the plant is to have 50,000 spindles.

Business Conditions in Tientsin Improve

According to the Bureau of Social Affairs, 1,146 new enterprises were opened in Tientsin in the second half of 1936, while the number of enterprises closed during the period was 389. It is believed by the *Ta Kung Pao* that business conditions in Tientsin have greatly improved.

Japan to Finance Construction of New Railway in North China

The cultural department of the Japanese Ministry of Foreign Affairs has organized an investigation committee to study conditions in China. As the result of an investigation of economic conditions in North China, a sum of $36,000,000 will be invested by Japan in the building of the Tientsin-Shihchiachuang Railway.

Japanese Organize North China Salt Company

The salt purchasing department of the Hsin Chung Company is planning to organize a North China Salt Company. This company will take full charge of the export of Chinese salt to Japan in the future.

Tientsin Mayor Installed as Director of the Hui Tung Aviation Company

Gen. Chang Shih-chung, mayor of Tientsin, was installed Jan. 19 as chief director of the Hui Tung Aviation Company, a Sino-Japanese concern.

S.M.R. and Japanese Garrison Hold Joint Meeting in North China

A joint meeting was be held in Tientsin Jan. 25 between high officials of the South Manchuria Railway Company and the Japanese Garrison in North China. At the conference, problems pertaining to the economic reconstruction of North China were discussed, including: Political and economic conditions in North China after the Sian revolt, development of political relations of the Hopei-Chahar Political Council, conditions of economic development in North China, the five-year plan of economic development in Manchuria, organization of co-operative societies, development of the chemical industry in North China, railway and highway communications in North China, and cotton cultivation in North China.

Emperor's Aid-de-Camp to Inspect Japanese Garrison at Tientsin

Lieut.-Colonel Mitsuzo Goto, Aide-de-Camp to the Emperor of Japan, is scheduled to visit Tientsin Feb. 1, accompanied by a medical officer. Lieut.-Col. Goto is being specially dispatched by the Emperor to inspect the condition of the Japanese Garrison.

Japanese Purchase Land for Steel Plant

A piece of land at Tsengchuantze along the Hai-river, about 1,000 mow in extent, has been sold to Japanese interests and a steel plant is to be built on the site. The Chinese authorities are negotiating with the Japanese authorities to redeem the land, the *Sin Wen Pao* of Jan. 25 stated.

North China Loyal to Nanking, Says Dr. Leighton Stuart

Dr. John Leighton Stuart, President of Yenching University, on a visit to Shanghai last week expressed the opinion that the North China authorities are loyal to General Chiang Kai-shek, and that the people in that area, who are beginning to realize the Central Government's determination to defend the country, are genuinely supporting the Nanking administration.

$20,000 Carload of Cotton Destroyed at Fengtai

A carload of cotton valued at $20,000 was destroyed by fire it Fengtai Jan. 21. The consignment came from Honan and was intended for the Tientsin branch of the Bank of Communications.

Anti-Smuggling Drive in Shantung Proceeding Smoothly

The anti-smuggling campaign in northern Shantung is being satisfactorily carried out the under direction of Li Tung-hwa, deputy-director of the Anti-Smuggling Bureau, according to *Central News*.

Origin and Significance of Japanese "Special Affairs Organs"

The work of the various Japanese special affairs organs in China played an important role in the Japanese invasion of China after the outbreak of the Mukden Incident, the *Tass* translation service points out. Whenever a new incident occurred, a statement would be issued by a certain military officer, which has been always regarded as far more important than that issued by the Japanese Consul Generals or even the Ambassador. The present affairs between China and Japan entirely lie in the hands of these military officers.

Prior to the outbreak of the Mukden Incident, the term "military officer" designated a post of minor importance in the Japanese Embassy. Following the Mukden Incident, however, all Japanese military officers sent to the various places in China with direct contacts with the Japanese Garrisons are given the name "military officers." There is a wide difference between the military officers attached to the Japanese Embassy and those acting as special representatives of the Japanese Garrison Army.

Originally there were only four "special affairs organs," in Harbin, Mukden, Manchuli and Heilungkiang, that is, prior to the outbreak of the Mukden Incident in 1931; then the work of these organs was rather limited. With the formation of the puppet state in Manchuria, the work of these special organs was augmented. Under the instructions of Major Doihara," Lawrence of Manchuria," much good work was performed by these organs in facilitating the Japanese invasion of other parts of China.

Later the work of these organs was "legalized". Special Japanese organs were also established in various places of the Provinces of Hopei, Shantung, Shansi, Chahar and Suiyuan. Some of these organs are under the control of the Japanese Kwantung Army, while others are under the North China Japanese Garrisons.

Japanese Insist on Purchasing 20,000 Tons of Changlu Salt

The Japanese interests concerned have offered a higher price for the Changlu salt which they desire to purchase. It is reported by the *Shun Pao*, however, that they still insist on delivery of 200,000 tons. It may be recalled that the price of salt which the Japanese purchased last year was $2.40 per ton.

Manchukuo Economic Plan to Cost Yen 2,800,000,000

A gigantic economic plan in Manchukuo costing Yen 2,800,000,000 in five years is being pushed by the Manchukuo Government and the Japanese authorities in that country.

According to a Dairen message to the *Asahi*, as the plan has now been prepared, representatives of the Manchukuo Government and the Kwantung Garrison will shortly visit Tokoi to seek an understanding. The plan may be summarized as follows:

1.—Relative to the S.M.R. Company.

A.—Heavy industries; a—Liquid Fuel industry Yen 310,000,000, b—Coal industry (increased production of 15,000,000 tons) Yen 160,000,000, c—Iron industry (increased production of 2,000,000 tons) Yen 189,000,000, 4—Aluminium industry (increased production of 15,000 tons) Yen 40,000,000.

B.—Traffic: a—Construction of new railway lines, Yen 180,000,000, b—Renovation of old lines and harbors, Undecided.

C.—Others: S.M.R.'s outstanding schemes, Yen 316,000,000.

Of the Yen 1,195,000,000 total, the S.M.R. Company is to defray Yen 900,000,000.

2.—Relative to the Manchukuo Government.

A.—Agriculture: a—rice, barley, Wheat, Soya beans, flax and cotton, b—sheep raising, horse breeding, etc., Yen 150,000,000.

B.—Heavy industries: a—Electric industry (generation of 800,000 k.w. of hydraulic power) Yen 150,000,000, b—Coal mining and hydrogenation of coal. Undecided, c—Aluminum industry (as already quoted), d—Munitions, motor cars, etc., Yen 150,000,000.

C.—Engineering: a—Road building, b—riparian Yen 130,000,000.

Of the foregoing schemes, the Manchukuo Government is to shoulder Yen 700,000,000.

3.—Relative to Special Undertakings.

a.—The Manchukuo Electric Company's new capital Yen 60,000,000, b—The Showa Steel Works debentures Yen 101,000,000, c—the Manchukuo Colliery Co. debentures Yen 85,000,000, d—the Manchukuo Chemical Col. debentures Yen 15,000,000.

The foregoing make a total of Yen 2,352,000,000. If the proposed colonization scheme costing Yen 200,000,000, the Yen 60,000,000 balance relative to the C.E.R. transfer and the new investiments in North China amounting to Yen 200,000,000, are included the aggregate total will be Yen 2,800,000,000.

Japanese Communists Arrested in Manchuria

Twelve Japanese subjects, suspected of being Communists, were arrested in Manchuria Jan. 9, according to an announcement made by the Kwantung Army headquarters in Changchun Jan. 20. The arrested men were charged with plotting the overthrow of the Manchukuo state and with maintaining connections with the Chinese Communist Party headquarters in Shanghai. After investigation, six of them were released for lack of evidence.

Manchukuo Exercises Strict Censorship Over All Correspondence for Chinese

Central News quotes a recent arrival from the Northwest as saying that any Chinese living in the Northeastern provinces who receives frequent correspondence from China Proper is held under suspicion by the Manchukuo authorities and may be arrested for investigation at any time. All incoming and outgoing mails, he said, are strictly censored. To avoid arousing the suspicion of the censors most Chinese voluntarily write to their relatives and friends in China Proper not to write any letter to them unless on urgent matters.

Manchukuo Outer-Mongolia Conference Reopens

The conference between representatives of Manchukuo and Outer-Mongolia, suspended since the beginning of the 12th month of the Chinese calandar, opened on January 25.

Pope Pius Confers Orders on Manchukuo Officials

In recognition of services rendered for the promotion of friendly relations between the Vatican and Manchukuo the Pope has conferred decorations on General Chang Ching-hui, Prime Minister; Chang Yen-ching, Foreign Minister; Hsieh Chieh-shih, Ambassador to Japan; Chuichi Ohashi, Vice-Foreign Minister; Ting Shih-yuan, former Minister to Japan; Ryusaku Endo, former Director of the General Affairs Board; and various other officials in Changchun.

North Manchurian Flour Is Consumed in South Manchuria

Forty-six per cent of wheat flour produced in North Manchuria, or 5,500,000 bags, was consumed in South Manchuria, the Manchukuo Government revealed Jan. 18. Nearly 90 per cent of the flour was transported to the southern part of the State by the Hsinking-Dairen trunk line.

French-Managed Gold Mines to Be Purchased by Japan Mining Company

Gold mines at Taiyudo, Heihoku, Korea, managed by French subjects (annual gold production some Yen 4,000,000) are very likely to be purchased by the Japan Mining Company, according to the *Tokyo Asahi*.

In the United States Court for China

In re. LAST WILL & TESTAMENT of GEORGE HOBART NEWSOME Deceased.	Cause No. 4147 Special Proceedings No. 2026 NOTICE Filed at Shanghai, China, December 31, 1936. William T. Collins, Clerk. By E. J. Collins, Deputy Clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of George Hobart Newsome, deceased, to present the same with vouchers to the undersigned on or before June 9, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Wiley Blaine Newsome
Yee Tsoong Tobacco Co. Ltd.
175 Soochow Road
Shanghai, China.

Shanghai, China.

In the United States Court for China

In re. Last Will & Testament of WILLIAM WIRT LOCKWOOD Deceased	Cause No. 4163 Special Proceedings No. 2042 NOTICE Filed at Shanghai, China January 21, 1937 WILLIAM T. COLLINS, Clerk. L. T. Kenake, Asst. clerk.

Pursuant to an Order of said Court notice is hereby given to all persons having claims against the estate of WILLIAM WIRT LOCKWOOD, deceased, to present the same with vouchers to the undersigned on or before July 30, 1937, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

Mrs. William Wirt Lockwood
c/o Dr. H. C. Mei,
190 Peking Road
Shanghai.

Shanghai, China.

Boundary Between Korea and Manchukuo May Be Abolished

It is reported from Hanchen, Korea, that the authorities of Korea and Manchukuo are negotiating at present on a most important problem, namely, the abolition of the national boundary line between Korea and Manchukuo. Great attention has been aroused in various quarters by this proposed move on the part of the authorities of the two territories, the *Sin Wen Pao* of Jan. 21 stated.

Kiangsi Porcelain Corporation Inaugurated

The Kiangsi Porcelain Corporation, which represents one of the practical schemes of the provincial reconstruction authorities to promote the porcelain industry, was formally inaugurated in Nanchang Jan. 20. Kung Hsueh-jui, reconstruction commissioner later proceeded to Shanghai to confer with the China Fiannce Development Corporation on the project of the $900,000 hydraulic power plant which is to be built at Nanchang.

Second Meeting of Native Goods Committee to Be Held Feb. 5

A second meeting of the preparatory committee of the China Native Products Joint Sales Corporation, under the auspices of the People's Economic Reconstruction Movement Association, will be held on February 5 in Nanking.

Shipbuilding Materials to Be Admitted to China Duty Free

Acceding to a request by the Ministry of Navy, the Ministry of Finance has announced that henceforth all shipbuilding materials imported into China for use in Chinese yards will be exempted from payment of any Customs duty.

China's Tea Exports Show Increase

According to figures compiled by the Bureau for the Inspection of Commodities, China's tea exports through Shanghai and Hankow amounted last year to 297,174 *tan*, (133-lbs.) an increase of 73,000 *tan* over the 1935 figure. The principal market for Chinese tea is North Africa.

Completion of Hwai River Conservancy Project at Chinkiang to Be Celebrated Feb. 1

The ceremony to formally mark the completion of the Hwai River conservancy project will be held in Chinkiang, capital of Kiangsu, on Feb. 1.

New Cotton Mill Opens in Wusih

Equipped with 32,024 spindles and 250 looms, the newly-constructed Ching Sing Cotton Mill at Wusih commenced operations Jan. 20. Construction of the plant has been financed exclusively by the Shanghai Commercial & Savings Bank.

$250,000 Loan Contract for Hydraulic Plant Signed

A contract for a loan of $250,000 for the installation of a hydraulic power plant at Changchun, at the mouth of the Nine Dragon River in south Fukien, has been signed between the Fukien Reconstruction Department and the Central Bank of China.

Establishment of Hydraulic Power Plant Near Kowloon

The Kwangtung Reconstruction Department is considering the proposal submitted by a group of merchants for the establishment of a hydraulic power plant at Paoan along the Pearl River coast about 40-kilometer northwest of Kowloon.

$10,000,000 Bridge to Span Yangtze, Linking Wuhan Cities

Construction of a bridge across the Yangtze River linking Wuchang, Hanyang and Hankow at a cost of approximately $10,000,000 is being planned by the Hupeh Provincial Government. A preliminary survey of the projected bridge is being made by Li Wen-chi, bridge engineer of the Ministry of Railways in collaboration with engineers of the Hupeh Provincial Department of Reconstruction and the Wuchang and Hankow Municipal Governments.

100-Kilometer Light Railway to Be Built to Facilitate Conservancy Work

To facilitate the execution of the water conservancy work along the middle reaches of the Yellow River, a 100-kilometer light railway will be constructed to link up Lanfang, eastern Honan, with Tungchuang, western Shantung, according to Kung Hsiang-yung, chairman of the Huangho Conservancy Commission.

Tsinpu-Railway Nets $26,400,000 Revenue in 1936

The Tientsin-Pukow Railway reaped a total revenue of $26,400,000 from its passenger and freight services during the last year, showing an increase of more than $5,000,000 as compared with its receipts of 1935, according to a report released by the Railway Administration in Tientsin, Jan. 23.

An order for 80,000 pieces of railway sleepers has been placed with lumber merchants in Kiangsi by the Chekiang-Kiangsi Railway Administration in connection with the construction of the Nanchang-Pingsiang section of the Railway.

The Lungyen-Fenghsi highway, a 70-kilometer road, which links Fukien and Kwangtung, was thrown open to motor traffic Jan. 20.

Manganese Deposit Found Near Amoy

A manganese deposit about 600 meters in circumference has been discovered in Hoshan, a district near Amoy. The Fukien Reconstruction Department has sent a mining engineer to the spot to make a detailed survey preparatory to exploitation.

Plans for New Steel Bridge Linking Wuhan and Hankow Completed

Preparations are being pushed at Hankow to start the building of the new steel bridge across the Yangtse, which will not only connect the Canton-Hankow and Peiping-Hankow railways, but will serve as a link between the tri-cities of Wuchang, Hanyang and Hankow. Definite plans have been completed for the gigantic structure which will cost around $12,560,000. The expenses will be jointly borne by the Hupeh Provincial Government and the Canton-Hankow and Peiping-Hankow railway administrations.

Dr. Kuangson Young Speaks on British Interest in the Far East

Dr. C. Kuangson Young, formerly Chinese Consul-General in London and now Managing-Director of the *China Press*, in an address given at the montnly meeting of the British University and Schools Luncheon Club held at the Metropole Hotel in Shanghai Jan. 20 stated that there have been drastic changes—all for the better—in the relations between Great Britain and China. Choosing as his subject, "British Interests in the Far East and China," Dr. Young said that although he visited England not long after the troublous days of 1925-27, he was convinced through his many contacts with industrialists, manufacturers, editors, and others throughout Britain that British policy in the Far East, as well as elsewnere, has been for peace, in view of the fact that it is only under peaceful conditions that British merchandise may be marketed and exports may be increased.

The speaker highly praised the invaluable assistance afforded by the British Government and residents in China in supporting the currency policy of the National Government. Its success means nothing less than financial stability of China, he said. Special emphasis was then put by Dr. Young on the promotion of two-way trading. Unless the customer is prosperous, he cannot possibly buy. And no customer can continue to buy for long without finding an outlet for his own products or services.

Japanese Economist Says China Should Cooperate With Japan

If China is anxious to develop her rural economy she should cooperate with Japan, declared D. K. Takahashi, noted Japanese economist, on his arrival in Foochow Jan. 19 on an investigation trip. Japan, he said, should export more water pumps and electrical appliances to China to help electrify her rural districts, while China should export her agricultural output to Japan to promote the latter's foreign trade.

Rashin, Korea's Growing Harbor, to Become Customs Center

Rashin, a rapidly-growing harbor in North Korea, was chosen Jan. 18 by the Government-General of Korea sa the site of the main customs house for the region. The Government-General will seek the approval of the current session of the Diet for the inclusion of necessary appropriations in the budget for 1937-38. Rashin's importance as a first-class port has been enhanced by its position on the shortest commercial and passenger route between Manchukuo and Japan.

Progress in China Greatest Where Central Government Is in Control

W. Lewisohn, after a tour of a month and a half in the southern and central provinces of China, has written a series of articles on "Progress in China" in the *North China Daily News*. Important among his observations were the following:

On the whole, with the exception of one or two provinces—and there the exceptions are due to exceptional personalities—my various travels in the interior incline me to the view, that the firmer the control of the Central Government over a province, the greater has been the progress it has made. That is not necessarily due to the appointees of the Central Government being always the better men. But the point is that men born and bred in the province over which they are ruling cannot easily disregard family and clan ties or provincial vested interests. The greatest obstacle of all to the efforts of any government to reform and raise the standard of life in China is presented, to my mind, by the terrific pressure of population. A journey by bus or car when one passes through dozens of villages on each day's drive and stays each night at a different, but always equally crowded, town, brings this more forcibly to one's attention, than permanent residence in the most populous seaport. In the countryside, as in the towns, one sees constant evidence of the desperate struggle for existence that is going on everywhere.

Who's Who in China

Kong Chin-tsong, Government official; born in Szechuan, 1898; B.A. in Economics, National Peking University; Ph.D. in Political Science, University of Bruxelles; clerk of the Metropolitan Procuratorate, Peking, 1920; chancellor and attache in the Chinese Legations in Denmark and Belgium, later concurrently vice-consul in Belgium, 1925-31; China's delegate to the International Telegraph Conference at Bruxelles, 1928; professor at the National Central University in Nanking and the National Szechuan University, 1932-33; counsellor, Mongolian and Tibetan Affairs Commission, 1934-36; now Director of the Tibetan Affairs Department of the Commission; author of "The Five Power Constitution: Its Theory and Application (in French)," and of many books on border territory administration and colonization; address: Mongolian and Tibetan Affairs Commission, Nanking.

孔慶宗
Kong Chin-tsong
(Kung Chin-tsung)

孔慶宗，生於一八九八年，四川省人，國立北京大學經濟學學士，比國布魯塞爾大學政治學博士。一九二〇年任前京師地方檢察廳書記官，一九二五至三一年，任駐丹麥使館及駐比使館主事，隨員，兼任駐比副領事。一九二八年充任比國布魯塞爾國際電報會議中國代表。一九三二至三三年，任國立中央大學及國立四川大學教授。一九三四至三六年，任蒙藏委員會參事。現調任藏事處處長。著有法文五權憲法之體用，籌邊政策，殖民政策等書稿甚富。

Construction of Yu Yah-ching Medical Sanitarium to Start Shortly

Construction work on the Yu Ya-ching Memorial Sanitarium for tubercular patients, which will nearly double Shanghai's sanitarium facilities for tubercular cases, will start in about six weeks. This modern building will be of reinforced concrete and will cost $80,000; it will have accommodations for 130 beds.

Dr. F. C. Yen, Director of the National Medical College of Shanghai and Superintendent of the First Hospital of the Red Cross Society of China, is directing this project, in addition to the many other activities under his supervision. The plans for the sanitarium were designed by Y. O. Lee, M. Arch., local architect. The new sanitarium has been made possible through the generosity of Mr. Yu, prominent Shanghai capitalist and Managing-Director of the San Peh Steam Navigation Company, Ltd., who contributed all the presents he received upon his birthday to the fund for the sanitarium.

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In the United States Court for China

AGNIA JOULINA RIVERA
Plaintiff,
vs.
JOSEPH FRANK RIVERA
Defendant.

Cause No. 4162
Civil No. 2041
ORDER
Filed at Shanghai, China, January 19, 1937.
William T. Collins, Clerk
L. T. Kenake, Asst. clerk.

The object of this suit is an action for divorce

WHEREAS, plaintiff herein, by her attorneys, has this 18th day of January, 1937, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 19th day of January, 1937, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 18th day of January, 1937, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since the last two years, and that defendant's last known address was care Navy Department, Washington, D. C.

NOW, THEREFORE, it is this 19th day of January, 1937, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the CHINA WEEKLY REVIEW, a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 6th day of February, 1937, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 19th day of January, 1937.

MILTON J. HELMICK
Judge.

Men and Events

The new branch office of the Central Bank of China in Swatow was opened Jan. 20.

M. Speelman, director of the International Savings Society, has returned to Shanghai from vacation in Paris.

H. E. Gibson, delivered a lecture on "Musical Instruments of Shang" before the North China Branch of the Royal Asiatic Society in Shanghai Jan. 28.

In pursuance to the instructions of the Ministry of Finance, the Bank of China is making preparations for the establishment of a branch at Rangoon, Burma.

Charles L. Hoover, U.S. Consul-General of the United States of America, at Hongkong, retired from service, Jan. 11, on reaching the U.S. legal retirement age of 65.

Reduction of the Income Tax levied on professional men was requested by seven associations in Shanghai in a joint petition to the Central authorities Jan. 25.

Madame Chiang Kai-shek, proceeded to Ningpo from Shanghai by plane Jan 23. From there she motored to Chikow, Fenghua, where she joined the Generalissimo.

The offer of $1,000 for information leading to the arrest and conviction of the person or persons responsible for the murder of Miss Pamela Werner, of Peiping, has been increased to $5,000.

Dr. Cheng Tien-hsi (F. T. Cheng), the newly appointed Judge of the Permanent Court of International Justice, arrived at the Netherlands Capital Jan. 20 and assumed office the following day.

A sum of $3,000 has been included in the Industrial Section of the S.M.C. budget for 1937 as a contribution toward the research work being done by Lester Institute on the health of workers in various trades.

Su Kai, Chief Engineer of the Bureau for the Huai River conservancy project, departed from Shanghai for Europe this week to inspect the progress of water conservancy in the various foreign countries.

The death occurred in Washington, D. C., Jan. 8 of Mrs. Frank A. Branagan, a former resident of Manila and Shanghai. The deceased was the wife of the first Insular Treasurer of the Philippines.

M. Alexander Varenne, former Governor-General of French Indo-China, departed from Paris on Jan. 22 on a trip to the Far East. It was announced he intended to spend considerable time in Nanking and Paris.

The Hsieh-ho and the Yung-foong native banks on Honan Road in Shanghai closed last week because of financial difficulties and will be liquidated. It is reported that the Hsieh-ho bank has debts totalling $500,000.

The 18 Chinese match factories in the province of Shantung are refusing to have any dealings with the newly-organized Sino-Japanese Match Syndicate, a branch of which is due to be opened in Tsingtao Feb. 1.

The first annual convention of the China Association for the Study of Western Philosophy was held at Peiping Jan. 25, when Wang Shih-chieh, Minister of Education delivered a speech on some problems of secondary education in China.

Mrs. W. W. Lockwood, on the eve of her departure for the United States this week, was entertained by Mr. and Mrs. John S. Barr, Mrs. H. A. Wilbur, Mrs. C. W. Petitt, Dr. and Mrs. McCracken, and Mrs. H. C. Mei.

Members of the Community Church in Shanghai held the second of their series of three international friendship dinner parties Jan. 21, when American members of the church opened their homes to other national and Chinese friends and members.

The American Government, through its Embassy here, has extended an invitation for China's participation in the International Exhibition to be held at New York in 1939. The invitation has been referred to the Ministry of Industry.

A conference to decide upon the standardization of Chinese nomenclature in the fields of chemistry, comparative anatomy and psychology met in Nanking Jan. 29. Over 60 experts from various parts of the country were present. Chen Ke-chung presided.

Mrs. Martha Jewell, founder of the principal school for girls in Shanghai, celebrated her eightieth birthday Jan. 21. She came to Shanghai in September 1895 and with the exception of a few trips to her homeland and brief holidays in Japan she has been in China ever since.

Joseph Coughlin and Celia Helen Bruce were married at the American Consulate General in Shanghai Jan. 23. The groom is the general manager of the Willow Pattern Press, affiliated with Millington Ltd., The bride is the adopted daughter of George C. Bruce, managing director of the Mercury Press (affiliated with the *Shanghai Evening Post*), employed in the business office of the Willow Pattern Press.

The 6th Annual meeting of the Chinese Sociological Society was held in Shanghai Jan. 23, Wu Ching-chao presiding. Mr. Wu said hhat though the Society had been established six years, little had been achieved. This unsatisfactory state of things was largely due to lack of cooperation among the members. He hoped that henceforth they willl redouble their efforts in rdoer to promote the work of the Society.

Father Cellini, Italian missionary stationed at Tali, Shensi, who had been traveling in the province, is reported to be detained by Communists near Weinan, 50 kilometers east of Sian, according to a message received here this week by the Italian Embassy.

Central News says that D. Bogomoloff, Soviet Ambassador to China, who proceeded to Moscow two months ago to participate in the Russian Congress, will come back to China to resume his duties some time next month.

The Finnish Government has appointed Hugo Valvanne as Minister to China. The new envoy will arrive in Nanking in the near future. Mr. Valvanne is also Finnish Minister to Japan, and will have his residence in Tokyo.

The National Child Welfare Association of China will hold its eighth annual general meeting in the Sun Yat-sens Memorial Hall of the National Committee Y.M.C.A. in Shanghai Jan. 30, when Dr. H. H. Kung, founder and President of the Association, will preside.

Dr. W. W. Yen, former Ambassador to Soviet Russia, arrived in Shanghai from Tientsin Jan. 22 and called on T. V. Soong, Dr. Wang Chung-hui, and other high Government officials. He stated that he will abandon political life and engage in industrial enterprises.

The *Peiping Daily News*, a new English-language newspaper which made its debut on Dec. 23 last, suspended publication by order of the Hopei-Chahar Political Council Jan. 20. The paper was published under the auspices of the Foreign Affairs Committee of the Council.

Lieut.-Col. Tatsumi Amemiya, resident Army officer in Nanking, has been ordered attached to the War Ministry's Military Affairs Bureau and concurrently to the Army Technical Department. He will joint the War Ministry's Press Bureau in Tokyo in the near future, *Domei* learned.

The exportation of copper coins from east Anhwei, including Wuhu, Hsuehcheng, Hofei and Chaohsien has been banned by the provincial authorities as a step to check the skyrocketing of the price of food which has adversely affected the livelihood of the populace in that region.

Col. and Mrs. Isaac Newell of Peiping sailed from Shanghai this week for the United States where they plan to remain for several months. Their address will be Sea Island, Georgia. Col. Newell, U. S. Army retired, was previously commander of the Fifteenth U. S. Infantry regiment at Tientsin.

Word has been received in Canton of the death at his home in Tacoma, Washington, of Dr. Edward C. Machle, retired missionary of the South China Mission of the Presbyterian Church, on Dec. 5, last. He was 77 years of age, and was retired in 1929 after forty years spent in the Far East.

Appropriation of $10,000 as expenses for the Public Burial of the late Wu Hsing-ya, Municipal Commissioner of Social Affairs for Greater Shanghai, who was a native of Hupeh, was decided upon at the first meeting of the new Hupeh Provincial Government Committee Jan. 22.

During a press interview, Sun Fo, President of the Legislative Yuan, declared that Gen. Chiang Kai-shek, President of the Executive Yuan and Chairman of the Military Affairs Commission, will return to Nanking before Feb. 15 to attend the forthcoming third plenary session of the fifth C.E.C.

A Mandate issued in Nanking Jan. 20 awarded Captains H. T. B. Grohman and T. A. V. Morse the Order of the Brilliant Jade, with red cravat lined with white-blue border. Captain Grohman is a British staff member of the Naval Ministry; Captain Morse is an instructor of the Naval Training Squadron.

Henri le Grauclaude, French journalist who was arrested in Peiping last autumn and subsequently brought to Shanghai and tried for possessing a passport under a false name, was sent to Hanoi (Indo-China) aboard the *Jean Laborde* last week to face a charge of alleged embezzlement from a French woman.

The Chinese Foreign Trade Association has decided to hold an exhibition of Chinese native products in Singapore during the coming summer. Liu Ching-yen, wealthy Chinese merchant in Singapore, has contributed $100,000 towards the capital of a company which will undertake the sale of Chinese products in Malaya.

The Legislative Yuan has withheld ratification of the convention recently adopted by the Conference of the International Labor Office which prohibits the use of white lead in the paint and varnish industry. It is the opinion of the Legislative Yuan that the prohibition of use of the metal would seriously affect the native paint industry.

Hiram Broils, who piloted the large Douglas transport plane belonging to China National Aviation Corporation, which was wrecked recently while taking off at Chengtu, Szechuen province, has departed for the United States and probably will not return to China. The plane was wrecked and burned on Christmas Day. None of the passengers was injured.

Advices from Tokyo this week stated that Kenji Kodama, president of the Japan-China Business Society and former president of the Yokohama Specie Bank, is to be named by Tokyo as "economic ambassador" to China. He will head a Japanese economic mission which is coming to this country in return for the courtesy of the Chinese Government in sending an economic mission to Japan in 1935.

T. Frank Matthews, President of the Toronto Board of Trade, and prominent in the meat packing trade in Canada, passed through Shanghai this week on his way back to Canada after a tour of New Zealand.

Dr. and Mrs. Rolls Reynolds arrived in Shanghai this week in the course of a round-the-world tour. Dr. Reynolds is professor of education in Teachers College, Columbia University, and principal of the Horace Mann School, New York.

The American University Club of Shanghai, of which Judge Milton J. Helmick is President, has extended to the widow of the late J. B. Lee, Secretary of the Club, its condolences in the form of Resolutions which express the appreciation of the Club for the services of Mr. Lee, whose death occurred Jan. 4 last.

The motor caravan to tour the newly-completed highway between Nanking and Yunnan, organized by the Executive Yuan, is to start out from the capital on April 1. The trip is being sponsored with the object of affording the public, government and press circles in the coastal cities a chance to study local conditions, industrial development and highway construction in Central and southwest China.

The Isis Theatre, which is situated just beyond the Foreign Settlement limits of Shanghai, has withdrawn the showing of the Soviet-produced film "Abyssinia", at the request of the Chinese Bureau of Public Safety. This action followed a protest from the Italian Consulate General in Shanghai. The picture had duly passed the Censorship Board in Nanking. The Italians claim that the scenes of warfare as shown in the film are not actual reproductions, but were the result of photographic "tricks."

Senor Manuqel Quezon, President of the Philippine Commonwealth, passed through Shanghai this week on the *Empress of Canada*, en route to Washington, where he will hold informal discussions with President Roosevelt concerning trade relations between the United States and the Philippines. President Quezon's party includes General Douglas MacArthur, military adviser to the Philippines Governmen: Senor Jose Yudo Secretary of Justice, and a number of other Army and Government officials.

Cabaret Dancers and Actresses Must Pay Income Tax

Taxi-dancers, orchestra members and actresses are subject to the Income Tax regulations, according to information from the Income Tax Bureau Shanghai Office. The authoritics have notified all owners of cabarets, dance-halls and amusement places engaging taxi-dancers, actresses and orchestras to deduct the income tax from the salaries each month according to the regulations.

Nanking to Open Hostel for Foreign Tourists

With a view to providing accommodations for foreign tourists during their visits to Nanking, the International Publicity Department of the Central Publicity Council is planning to open a hostel for the use of travellers from abroad. The arrangements are now being jointly planned by representatives of the Ministries of Foreign Affairs and Education, the Nanking Municipal Government and the China Travel Service.

Chekiang to Have a Clean Administration

Determined to institute a clean administration in Chekiang, Dr. Chu Chia-hua, the provincial chairman, has asked the people to inform him of any corruption in the government. Since he assumed office, Dr. Chu has drawn up two impeachements, one against the magistrate of Tanghsi district and one against the business tax bureau.

Children's Colds.

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New Books of Interest in the Far East

A New Book by Pearl Buck—Companion Volume to "The Exile"

Fighting Angel, Portrait of a Soul, by Pearl S. Buck, A John Day Book, Reynal & Hitchcock, New York, U.S.$2.50

The book, the biography of the author's father, is a companion volume to "The Exile," biography of her mother. Andrew was a soul who walked hand in hand with God. Because Andrew's soul and whole being belonged so completely to God, the story of his life is utterly separate from that of Carie, the wife who lived with him for forty years and bore him seven children. As Pearl Buck says, their accounts of the same incident were so different that it seemed impossible that they saw the same thing occur.

Andrew was raised in an atmosphere of Presbyterianism of the hell-fire variety. His family was known as "the preachinest in Virginia with dissenting blood as strong as lye." It was his father's boast that he read the Bible through once a year. Six of his seven sons heard the call and entered the ministry. It was an odd and quarrelsome household; God and the Devil were ever present. Theology was a question of burning importance, and battles raged around it. But Andrew never quite equalled his brothers in looks or assurance. "He withdrew further and further into passionate personal religion. He was no whit behind any of them there. Indeed, he was the hotter in his goodness, because there was no worldiness in him to ease it."

He struggled to maintain himself financially throughout his career in seminary; he battled with his family to be a missionary and won; in strange fashion he courted Carie, married her and set sail for China. Their honeymoon on the ocean, he spent perfecting his Chinese, his Hebrew and his Greek, while his bride lay in their cabin desperately seasick.

When Andrew came to China he was astonished to see how well the missionaries lived; they actually had comfortable homes and he had expected to live in a mud hut. He did not get on with them very well. In a quite and serene way, he was a born fighter. They objected to everything he did—the swiftness of his conversions, his desire to expand the Work further into the interior no matter whether finances permitted or not. Money meant nothing to him except as it furthered the Cause. He never obeyed any rules, because the rules always conflicted with his duty. "I know there have been those who, seeing that high obstinate angelic tranquillity, have felt like going out and groaning and beating their heads against a wall in sheer excess of helpless rage. But Andrew did not know even that they were angry with him. Had he not told them God's will? He must obey God's will."

Pearl Buck's father was hard on others—hard if they showed any signs of weakness, but he was equally hard on himself. What would have been temptation to ordinary mortals was nothing to Andrew. His fight was the conflict of his sense of duty with a strange physical timidity and he proved himself equal to it. A scholar of the first rank, he expected perfection from his children. Once to her surprise, Pearl Buck relates she received a mark of 99 in geometry, a subject in which she did not excel. Andrew's comment was, "A good mark," reservedly and added at once, "a hundred would have been better."

Possessed of vast inner courage Andrew moved tranquilly throughout the Chinese countryside. Nothing moved him, neither wars, famines, epidemics nor banditry. No difficulty was too great for him to overcome. Sure of his duty as the manifestation of God's will, Andrew was only impatient at the slowness of the Work. Millions of souls were waiting to be saved. To him the world was divided into those who would be saved and those who would not. Those who would not were already lost and were not to be heeded as alive. There was so much to do and so little time in which to do it.

Of her father Pearl Buck says, "He lived that extraordinary and rare thing, a completely happy life...He never struggled. He went his own way serene and confident, secure in the knowledge of his own rightness. I have seen him angry at others because they obstructed that way of the Lord he trod so surely, but I never saw him distrustful of himself...There was a greatness in his clear determination."

This book is an interesting character study and a faithful biography, sympathetically written. It is a tribute, too, to those missionaries of old who fought, lived and died under such appalling conditions. Whether the ideals they tried to spread far and wide were right is a moot point. In sheer courage and ability to meet all odds they were giants. Andrew was of them and not of them—he differed principally is his belief that he answered to God only.

The style of the book is smooth flowing with the exception of too many asides, which break the continuity of Andrew's life. Also there is perhaps too much repetition, but in view of the fact that the author is writing of her father, she may be forgiven her natural desire to make the picture as complete as possible. Considered as a whole the book shows a fine understanding of human motives and conduct. D.D.

A Novel Based on Shanghai Newspaperdom

Shanghai Deadline; by La Selle Gilman. New York: Dodge Publishing Company; U.S.$2.50.

This book, a first novel by La Selle Gilman, is the tale of an American newspaperman in Shanghai. Mr. Gilman, who at one time was city editor of the *China Press*, is now with the *Shanghai Evening Post & Mercury*.

Tony Colin, the hero of the book, meets Ellen Ballod, the girl he later loves, and Mack, city editor of the *Shanghai Chronicle* on a Yangtsze River steamer en route from Hankow to Shanghai. Tony has just returned from what was to a young man fresh from America a disastrously jumbled trip through the interior of China. Through this fortuitous meeting Tony gets newspaper work in Shanghai shortly after his arrival there, and also a girl he can love and live with.

But a malignant fate pursues Tony. After another trip into the interior, made this time with some slight understanding of China, Tony returns completely horrified by what he has seen. In a fit of idealism, previously latent within him, he tries through the medium of the *Chronicle's* columns to awaken the public and the government to China's crying evils. But the policy of his paper, owned as it is by wealthy Chinese, prevents the publication of his articles.

Discouraged, he drifts, eventually losing his job. Ellen finds it impossible to help him, and although she still loves him she leaves him. Steadily he descends the scale, drinking more heavily than ever. In a low dive he discovers Marya Orlovna, a cabaret girl, with whom he now goes to live.

Providentially a scandal sheet, the *Bystander* is dropped in his lap, and from there his fortunes rise rapidly. Tony becomes assistant to the correspondent for the *New York Post* and eventually inherits the position of correspondent. All this time he has been living with Marya, and now in his prosperity he rediscovers Ellen who still loves him and whom he finds he also loves. But, to be trite, "The path of true love doesn't run smooth."

This novel has excited a good deal of comment around Shanghai rather out of proportion to its worth. The characters have no life for the reader. Their conversation is often stilted. Even Tony, the main character, does not seem quite real, either in his actions or his thinking. A settled melancholy pervades the book, due to a lack of humor.

The author's description of Shanghai is good, and in fact the best thing in the book. It is to be regretted that he was unable to carry this descriptive ability over to his characters. However, in justice to Mr. Gilman it must be admitted that he shows possibilities of development as a writer.

D. D.

The Monroe Doctrine from a New Angle

The United States and Europe, 1815-1823, by Edward Howland Tatum, Jr. University of California Press, Berkeley, California, 1936. 315 pages, with bibliography and index. U.S.$3.00.

Professor Tatum discards the old, widely-accepted theory as to the origin of the Monroe Doctrine. His book is a thesis upon his interpretation of its growth and pronouncement. He claims that hitherto historians have sought its explanation in European, rather than American, history. He considers that the Monroe Doctrine was formulated because of internal American thought and tendencies, not from fear either of the Holy Alliance or of Russian aggression in the Northwest.

His argument appears sound and his chapters are clearly written and well authenticated. Numerous references to periodicals of the years in question are very illuminating and serve to show the temper (and the invective!) of those times. American statesmen held their own amid somewhat rapid changes of the diplomatic situation and this new interpretation of the oft-quoted Doctrine in no way detracts from their prestige. Although Monroe's name was given to the declaration its evolution and adoption as a policy was due to much deliberation by young America's leaders.

"There is no simple explanation of so important a landmark in the history of American foreign policy as the Monroe Doctrine. This comprehensive statement of the position of the United States in world affairs was the product of past history and tradition, of internal conditions and social outlook, and of the coincidence of events. In the social and spiritual development of the United States, its significance is great. It reflects the deepest convictions of the people as a whole toward the Old World and is the expression of the fact that the United States had turned its back upon Europe and was henceforth to be occupied primarily with its own domestic problems, with the issues raised by westward expansion, and with the serious complications created by the growing spirit of nationalism."

Chungking, Sze., Dec. 23, 1936. G.B.S.

A Discourse on Food in Relation to Child Development

The Hay System of Child Development, a comprehensive discourse on food and its relation to child health and development, by William Howard Hay, M.D., and Esther L. Smith. Thomas Y. Crowell Company, New York.

For centuries much importance has been given to the child and rightly so, as our future civilizations are based on the physical and mental health of children who develop into the men and women of today. Countless contributions to the field of literature have been made on diets, training of children, and on the rearing of children in general, but this scientific treatise on the combined knowledge of food and its relation to child health and development, so comprehensive in its field, by Dr. Hay in collaboration with Mrs. Esther L. Smith, should prove invaluable to those preparing for marriage, home and children.

Treating in detail prenatal care and all phases of child care and training up to the twelfth year, parents can well afford to confine their need for such information to the reading of "The Hay System of Child Development." Step by step young mothers can learn how to bathe, feed, dress and train their children in the most modern manner. Problems which vary from time to time should be examined and studied and mothers can glean from these pages, how to deal with them.

There will be many who read this book, find themselves confused as a result of comparison with information advanced by other authorities on the subject of food and child training. The chapters devoted to the essential food constituents in infancy and childhood namely proteins, minerals, vitamins and water, are discussed in detail, as to use and value derived therefrom. Of especial benefit to the young mother are the daily menus included, with recipes for preparing different foods showing how to conserve in the cooking all the valuable vitamins. Receipes are given for individual servings as well as for more. Dr. Hay advises not more than one protein at a time for any meal due to different digestive requirements; and only to eat protein food in combination with those foods which are compatible with it.

Such a capable person as Dr. Hay, whose life was first devoted to medicine and surgery, and for the past twenty-six years to the practice of human nutrition, makes him a noted authority in this field. Mrs. Smith now conducts the children's department of the Hay System News, a monthly health magazine, and is author of an extension course in food needs and values, dietetics, menu building, and the serving of food. In collaboration, therefore, they have published a book which deserves a place in every home for the efficient training and caring of children.

M. P. W.

Timperley Says Russian Menace Cardinal Factor in Japanese Policy

H. J. Timperley, correspondent in China for the *Manchester Guardian*, has issued in brochure form a reprint of an article entitled "Some Aspects of Japanese Expansionism." Originally printed in *Tien Hsia* Monthly, Mr. Timperley says that despite the tremendous changes which have come over the Far Eastern scene during the intervening decades, the Russian menace, real or imaginary, still remains today the cardinal factor in Japanese foreign policy and military tactics. Important though the Chinese question is for Japan, Soviet Russia's increasing strength in the Far East presents a still more vital problem. Since 1931 the Red Army in the Far East has grown from a mere six divisions to a well-equipped force of approximately 250,000 whose equipment includes bombing planes with a cruising range great enough to threaten the principal Japanese cities. In addition to constituting a potential menace to Japanese security, this has tended to act as a brake upon Japanese expansion in China. Japanese leaders have come to recognize that their position in China, and to an even greater degree their position in "Manchukuo," is conditioned largely by Russian development; they see that if Russian goes on building up strength in the Far East it may be difficult for them to establish in China the dominant position envisaged under the so-called Hirota program.

Portraits of Sun, Chiang, and Lin to Be Shown at Each Theatrical Show

National and Party colors and the portraits of the late Dr. Sun Yat-sen, Father of the Chinese Republic, President Lin Sen and Gen. Chiang Kai-shek, president of the Executive Yuan, should henceforth be shown by all cinemas and theaters before and after each performance, according to a decision of the Committee for the Promotion of the New Life Movement. Instead of the musical overtures before and after each cinema program, the Committee has decided that the Kuomintang Anthem should be played instead.

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Chinese Study Banned by Formosan Authorities

In a decree issued on January 15, the Japanese Governor in Formosa announced the abolition of the subject of Chinese study in all Formosan schools. The *Sin Wen Pao* of Jan. 22 stated that it should be noted that the majority of people in Formosa are natives of Fukien and possess a strong feeling of patriotism.

Tokyo Censors Were Exceptionally Busy During the Autumn of 1936

Scissors of the Tokyo police censors were kept busy during the last four months of 1936 as 31 cases of objectionable material appearing in foreign publications were deleted. Nine cases involved "disrespect to the Imperial family," seven were regarded as detrimental to public peace and five were considered as detrimental to public morals. Other reasons were not given. Twenty-one of these were found in newspapers, ten in magazines, according to *Domei*.

Vienna Newspaper Says Gen. Feng Yu-hsiang Is a Hungarian

The Vienna newspaper *Weltblatt* Jan. 21 declared that Gen. Feng Yu-hsiang, vice-chairman of the Military Affairs Commission of China, is not a Chinese but a Hungarian whose real name is Irenaeus Fengya. The *Weltblatt* published interviews with Judge Igor Fengya, who claimed to be Gen. Feng's brother, and also with the Rev. Valentia Balogh, a priest who claims that he went to school with Gen. Feng forty years ago. The priest said that Gen. Feng was the son of an orthodox vicar in a Hungarian village, finished college in the town of Ungvar in 1897, after which he studied law at Eperjes high school. According to the priest's story, he left Hungary when nineteen and emigrated to the United States where he started as a bootblack but later became a sailor on a whaling vessel. Feng, the priest continued, later settled in Greenland and founded his own whaling company, becoming the richest man in Greenland about 1910. The priest said that in 1912 he appeared in China commanding a corps of irregulars in Inner Mongolia.

Feng Indignantly Denies Report

Gen. Feng on hearing the report rather indignantly characterized it as ridiculous.

Attention of Feng Directed to Hungarian Relief Fund

Paul Komor, a prominent member of the local Hungarian community, commented in a humorous vein concerning the report that Feng is a Hungarian, in the *North China Daily News*, Jan. 24. Among the various Hungarian societies to which General Feng's attention was directed, Mr. Komor mentioned the Hungarian Relief Fund, of which Mr. Komor is trustee.

Eighty-one Foreigners Are Evacuated from Sian

According to information from the Ministry of Foreign Affairs, a total of 81 foreigners completed their evacuation from Sian. Wang Kwan-hui, special representative of the Waichiaopu, who was responsible for the evacuation, returned to Nanking Jan. 20.

A plane left Sian on its last flying trip on the morning of Jan. 21 with six Italians, one Briton, and one Spaniard aboard. They were accompanied by Captain David Barrett, Lt.-Colonel Lovat-Fraser, Captain Ronald Scott, J. Hall Paxton, and Wang Kwang.

Five British Baptist missionaries and two Russians, employed at a flour mill, remained in Sian. Miss Agnes Smedley, the radical authoress, was last heard of in Weinan, east of Sian.

Fifty-eight out of the 77 foreigners who evacuated Sian, in Suchow Jan. 20 arrived by train in Tientsin and immediately boarded special coaches held ready for them by the Tientsin-Pukow railway and left in two parties, one proceeding to Nanking and the other to Tsinan. The majority of them have since reached Shanghai.

North China British Forces Join War Games in Singapore

The British forces stationed in North China ports, including Tientsin, Chinwangtao, Shankaikwan, Tangshan, Tangku, Tsingtao and Chefoo, departed for Singapore this week to participate in the war games of the British naval, army and air units in the Far East. Of the 2,000 troops in North China, it is learned, only a handful are remaining in the respective posts during the maneuver period.

The Importance of Far Eastern Problems, in French Eyes

"The importance of the problems which are arising in the Far East, and which will present themselves with greater urgency in the future, is such that the Occident ought to be informed about them as much as possible," declared Alexander Varenne, former Governor-General of Indo-China, in an interview with *Havas* just before he sailed for the Orient from Marseilles, Jan. 22.

Peiping Opium-Smoking Establishments Flourish Under Hopei-Chahar P. C.

Francis Fischer, *United Press* staff correspondent, writing recently from Peiping, quoted managers of opium-smoking establishments (licensed by the Opium Suppression Bureau of the Hopei-Chahar Political Council), in the former capital, as saying that they have not received notice of any impending interference of the opium monopoly trade under the new regulations, which are directed against non-opium narcotics, which are chiefly sold by Koreans and Japanese. They claimed trade at present was extremely convenient, in view of the open legal tax which was low enough to make bootlegging a useless risk. Officials explained that opium sold under monopoly contained a certain percentage of "medicine" which is increased every year until the medicine effects a cure. However, shopkeepers are smilingly unaware of the nature of the "medicine."

Japanese Consul in Amoy to Reduce Formosan Opium Dens

As a result of the negotiations conducted between the Amoy City Government and the Japanese Consular authorities, the latter have consented to reduce the number of Formosan-operated opium dens in the city from 300 to 250 as beginning from Feb. 1. From then on 50 dens will be closed down in every six months, and the whole number is expected to be wiped out within three years. All opium addicted Japanese citizens in Amoy, nearly all of whom are Formosans, are required by the Japanese Consul in Amoy to register with the Formosan Association.

400,000 Drug Addicts Registered in Shensi

More than 400,000 drug addicts in Shensi province have registered with the government, it was disclosed in Nanking Jan. 25 by Chung Keh-to, special anti-drug commissioner on his return from Sian. He revealed that originally there were only 60,000 addicts registered but others followed suit as a result of two intensive drives by the authorities.

Kwangsi Hospitals to Treat Opium Addicts

The Kwangsi Provincial Government has ordered all provincial hospitals to complete the arrangements for admitting opium addicts by the end of March, In addition to providing special clinics for drug addicts, the authorities have instructed all hospitals to open special wards for such patients.

Twenty-Six Executed in Hopei Since Jan. 1 for Violating Drug Ruling

Four drug users and 22 narcotic dealers in Hopei province have been executed by the authorities since Jan. 1 in accordance with the new regulations of the Central Government, it was disclosed in Paoting Jan. 23.

Opium Addicts Executed at Nanking and Amoy

An opium addict was executed in Nanking Jan. 20 by the police authorities. Two opium addicts were executed on the same date at the Peace Preservation Headquarters with the approval of the Fukien Provincial Government.

A Chinese Giant Receives Heavy Sentence for Smoking Heroin

Tsang Yong-oen, who is more than eight feet high, arrested on Haining Road in Shanghai last week, when he was found smoking heroin in an empty house, was sentenced to 12 years' imprisonment by the First Special District Court. The man denied that he had been using heroin and declared that he was only smoking a cigarette.

FOR SALE

A subscriber, residing in Nanking, would like to dispose of back-issues of THE CHINA WEEKLY REVIEW, from Vol. 5 to Vol 30 (June 1, 1918 to November 29, 1924) and Vol. 42 to Vol. 66 (September 3, 1927 to November 30, 1933). Librarians or others interested, please communicate with the Subscription Department, mentioning this advertisement.

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189¼	149½	9.00	American Tel. & Tel.	184½	183⅝
104	88½	5.00	American Tobacco "B"	99	99
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105½	71⅜	2.80	Union Carbide & Carbon	105½	104⅜
149⅜	108½	6.00	Union Pacific	130	129⅜
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